THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

Mr. Green Has Returned!

Increasing U. S. Imports into China

By Janet H. Nunn

Manchuria's New Railroads

By Charles K. Moser

Last Year an Eventful One in the Silk Industry

By Paul K. Whang

The Fourth Plenary Session of the Kuomintang

By J. B. P.

"We Have Had a Raid"

By. Bruno Schwartz

密勒氏評論報

SATURDAY, FEBRUARY 18, 1928

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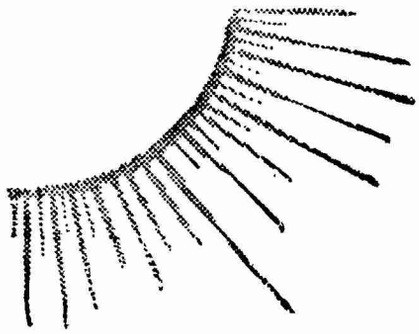

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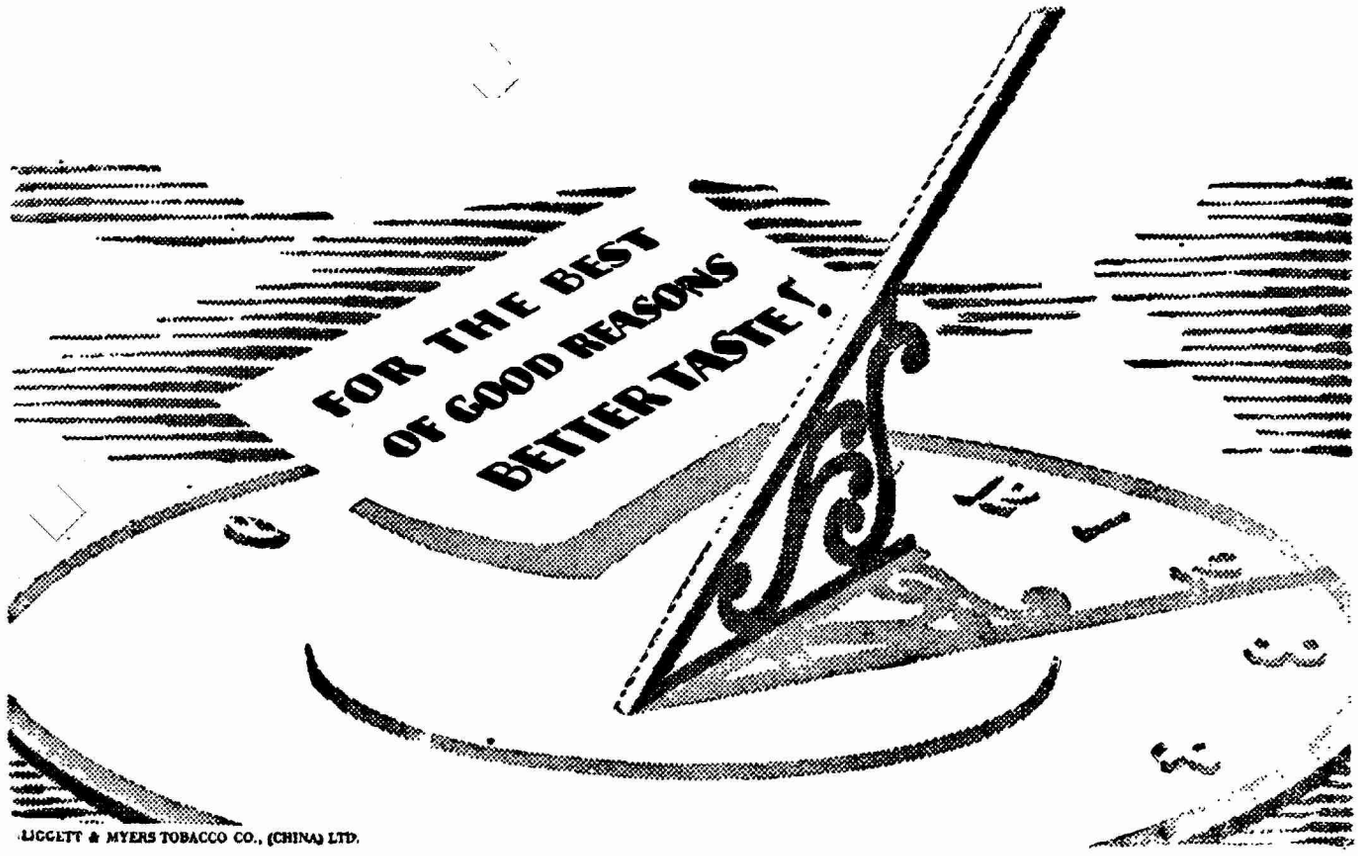

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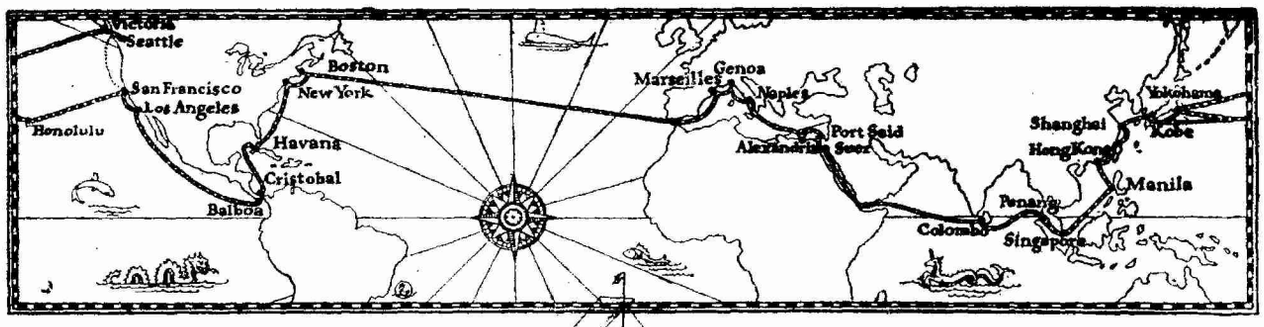

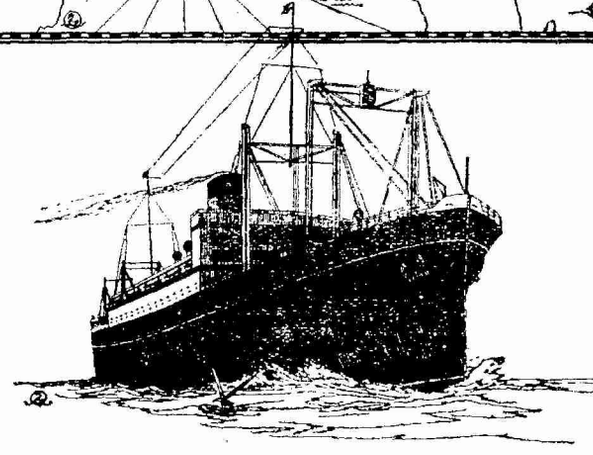

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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ARE THEY STILL PULLING FOR INTERVENTION?

MR. Rodney Gilbert, champion of intervention, die-hardism and calamity in China, whose editorials in the *North-China Daily News* last summer became so obnoxious that the Chinese were forced to bar that paper from the mails, has now gone to Peking where he is continuing to vent his bitterness toward all things Chinese which had its beginning several years ago when, according to popular report he suffered a great disappointment when Marshal Wu Pei-fu failed to come up to Mr. Gilbert's expectations as the "strong man" of China. In an article which Mr. Gilbert contributed to the *North-China Daily News* on Tuesday, Feb. 7 he described the depressed and discouraging conditions prevailing in Peking, resulting in the departure of all foreigners and Chinese who are able to raise the price of a railway ticket, a situation forecasted in these columns of *The Review* practically a year ago. But Mr. Gilbert does not stop with his description of the gloom of Peking; he ends his story with a hint that foreign armed intervention is again in prospect. The paragraphs referring to intervention were as follows:

The Hope of Intervention

This effort to give an impression of community feeling in Peking would not be complete if we were to omit to say that, in spite of the superficial air of hopelessness and indifference, there is an undercurrent of belief in the imminence of intervention, so diametrically opposed to the fashionable pose that very few have the courage to express it. Yet that is a belief which the writer has found a surprisingly large number of persons in various Legations individually cherishing. As it is conceived by these folk, intervention will be a most dispassionate enterprise, resulting from no particular incident, reacting in no way to anti-foreignism, but simply responding, as it were, to an unvoiced appeal from prostrate and exhausted China.

That it will be in any sense punitive or hostile to any person or faction, no one anticipates, but it is thought inevitable that it will take the form of the policing of all communications, with the idea of restoring order, making civil war impossible over large areas and reopening the arteries of trade, with little attention given to the character of governments or even to their existence or non-existence. Those who confide their faith in this development to one go on to say, if encouraged, that it may come unexpectedly and much sooner than the majority of the diplomats who are in constant touch with their governments have any reason to believe; but they are the last who would ask any one to bank upon such prospects. They seem to be moved to prophesy by an undertone which they detect in official correspondence from the West rather than by any "inside information" and, since the writer has not been given access to the documents which inspire this faith, he can only pass it on for what the reader likes to make of it.

CHANG SAYS HE DIDN'T, BUT JAPANESE SAY HE DID!

MR. QUO TAI-CHI, just prior to his resignation as Acting Minister of Foreign Affairs of the Nationalist Government, lodged a protest with the Japanese authorities regarding a loan of Yen 5,000,000 which the Japanese-owned South Manchuria Railway is alleged to have advanced to Marshal Chang Tso-ling, presumably for the construction of a railway from Kirin to Huining, but actually for enabling Marshal Chang to meet some pressing military obligations. Although not mentioned in the protest Chang is supposed to have used the money to finance his recent arms purchases from Europe, regarding which much has recently appeared in the foreign and Chinese press. The protest of the Nationalist Government alleged that the loan of Yen 5,000,000 was negotiated by Gen. Yang Yu-ting, chief-of-staff of the Fengtien forces with Mr. Yamamoto, the director-general of the South Manchuria Railway. The money is supposed to have been paid over between Jan. 11 and 27, so in accordance with its past practice the Nationalists again notify the Japanese that any treaties or agreements negotiated with the Peking Government by foreign interests without the participation or sanction of the Nationalist Government "is of no validity whatsoever." On Feb. 11, Mr. Wu Ching, Vice-Minister of Foreign Affairs of the Peking Government issued, through *Reuters* service, a denial of the foregoing report of a loan by the South Manchuria Railway to Marshal Chang Tso-ling, saying that there was no truth to the report whatveer and that Marshal Chang had not borrowed any money from the Japanese railway authorities in Manchuria. Now for the interesting part of the story: The semi-official Japanese *Toho* News Agency on February 4 in a report from Peking stated definitely that the South Manchuria Railway had advanced the sum of $2,000,000 to Marshal Chang Tso-ling as advance payment for the construction of the Kirin-Huining Railway, but that after obtaining the money Marshal Chang had refused to continue the negotiations. To repeat the exact words of the *Toho* message, *"the question of negotiations between the two authorities is now in abeyance after the Chinese authorities have acquired an advancement of $2,000,000 from the South Manchuria Railway, as the former's further demand for an additional advancement on the construction of the Kirin-Tunhua section has become a source of an internal turmoil in Chinese circles."* Thus to summarize the situation: The Nationalist Government learns of a report of a loan on the part of the South Manchuria Railway to Marshal Chang Tso-ling and protests. Mr. Wu Ching, Vice-Minister of Foreign Affairs of the Peking Government, denies that any such loan has been made. But the Japanese, who claim to have been duped out of $2,000,000, confirm the report and protest that Marshal Chang Tso-ling is refusing to carry out his part of the agreement. It therefore appears that the Vice-Minister of Foreign Affairs of the Peking Government has qualified for the ananias club, providing China has such an organization. This incident should be of some interest to J. P. Morgan and Company of New York, which firm has been negotiating with the Japanese for an American loan of G.$30,000,000 to the South Manchuria Railway. Should this loan be made, the money in all probability would find its way into the coffers of Marshal Chang Tso-ling and the other Northern militarists, in exchange for which the Japanese would be given certain concessions of doubtful value in Manchuria. Then later on when the Japanese attempted to enforce their "rights" there would be a blow-up on the part of the Chinese alleging Japanese aggression and the Japanese would then go to Morgan and Company to enlist the assistance of that concern in keeping the State Department quiet while the Japanese helped themselves in China's Three Eastern provinces.

TRYING TO SAVE THE SINKING PEKING SHIP OF STATE

EVERY DAY or so there is a story from Peking which finds its way into the local press about some movement to bring ahout a compromise between Peking and Nanking. First it was on the general subject of treaty revision, the report being that the Peking and Nanking Governments had decided to pool their efforts in order to bring about a unification of diplomacy. Now it has to do with the question of tariff autonomy and the maintenance of the present status of the Chinese Maritime Customs Administration. Mr. A. H. F. Edwardes, British Acting Inspector General of Customs has been in Shanghai for several days conferring with officials of the Nationalist Government and aside from a statement by Mr. T. V. Soong, Nationalist Finance Minister, that the Nationalists only recognize Mr. Edwardes as a private individual, there has been no announcement of practical results. While there probably is some logic in the Chinese getting together on the subject of the tariff owing to the coming into effect of tariff autonomy on Jan. 1, 1929, most of these stories of cooperation between Peking and Nanking are nothing more than propaganda to save Marshal Chang Tso-ling from complete defeat and the disintegration of his Fengtien forces. Proof of this exists in the fact that practically all of the stories telling of "cooperative" movements have originated with the semi-official Japanese news services in China. The Japanese have two objects in promoting cooperation between Peking and Nanking. In the first place it has a tendency to slow down the war and enable Marshal Chang Tso-ling to reorganize and re-munition his troops for the renewal of fighting in the spring. In the second place the Japanese, by promoting so-called cooperative movements between Peking and Nanking, hope in this way to prevent the complete collapse of Marshal Chang's government, which might prove disastrous to Japanese interests in North China and particularly in Manchuria. Looking at the situation from the standpoint of the Nationalists they have little to gain and much to lose by entering into any agreement with the Mukden warlord. The Nationalists now control sixteen of the twenty-one provinces of the country and in consequence more than seventy percent of the nation's revenues from the Customs. If they went into a deal with Peking it would simply result in Peking obtaining more revenue and in consequence prolonging the existence of the Northern regime. If the Nationalists can maintain their present solidarity, they can afford to sit tight for there are unmistakable evidences of deterioration in the Northern camp. Generals Sun Chuan-fang and Chang Chung-chang are at sword's points in Shantung and the situation is little better in Chihli province where Generals Yang Yu-ting, Han Lin-chun and Chang Hsueh-liang are also constantly scheming against and knifing each other. Furthermore the situation is very unstable in the Three Eastern provinces where Chang Tso-ling's paper money has slumped to the zero mark and where it is difficult to distinguish between Big Sword Societies, organized bandits and Marshal Chang's own troops.

DO WE BELIEVE IN THE FUTURE OF SHANGHAI?

A LOCAL foreign real estate company distributed a circular last week which contained the title, "I Believe in Shanghai," the purpose apparently being to create confidence in real estate values in the city. There was a comparative table of land values which showed that land in other large world cities such as Manila, Honolulu, Singapore, Sydney, London, San Francisco, Detroit, Los Angeles and New York, are from four to seven times higher then prevailing land values in Shanghai. It was stated that land prices in Shanghai are advancing towards a comparative equality with that of other great cities of the world, hence if one would become rich he should go straight away and buy a piece of Shanghai real estate. Reading between the lines, however, showed that while land values in Shanghai have gradually increased during the past decade, the local real estate market has been in a sort of slump for a considerable period. The statement appears that "civil war in China caused a slowing down of trade, commerce and building and general business expansion in the spring of 1927, but that the passing of the war to the North had caused a gradual return of confidence in the fall of 1927, while for the spring of 1928, a very healthy reaction towards prosperity is evident." While the return of peace to this section of China and the resumption of trade along the Yangtsze has had a moderately stimulating effect upon Shanghai land values, it is foolish to expect any permanent return of real estate prosperity to Shanghai so long as the so-called Shanghai Question remains unsettled. For example the *Evening News* a local Chinese-owned newspaper, in its issue of Saturday, February 11 contained a story on its front page that an angry mob of Chinese property owners and residents of the Chapei (Chinese) section of Shanghai had torn down several walls which the Shanghai Municipal authorities (foreign) had constructed in the North Szechuen and Range Road areas. These walls were constructed last spring during the period of "barbed-wire hysteria" when local die-hards were howling for the British forces to occupy the entire Chapei area. The walls were permitted to remain by the Shanghai Municipal Council, apparently for the purpose of forcing the Chinese property-owners to pay taxes to the so-called International Settlement instead of the Chinese authorities. In addition to these walls the foreign authorities have also refused, up to the present, to remove the barbed-wire barricades which were constructed along Range Road leading from North Szechuen to the Shanghai North railway station. Chinese property-owners in this area, and this includes one of the popular Chinese movie houses, find difficulty in getting into their homes and business properties. There may be a perfectly sound reason for this situation which has not been publicly explained, but superficially it looks like foreign aggression or cussedness of a particularly glaring character. If the outraged Chinese peoperty-owners of this street should finally muster up sufficient courage to remove these barricades, the Shanghai Municipal Police probably would issue a report of another "Communist" uprising and send cables back to London urging that the British troops be retained here indefinitely.

IT IS THIS sort of attitude on the part of the foreign authorities of the so-called International Settlement which constitutes the real cause of real estate depression in Shanghai. From the standpoint of location, population, climate and hinterland Shanghai compares favorably with such cities as Seattle, San Francisco, New Orleans or a dozen other world cities which might be mentioned, but Shanghai lags behind for many reasons which may all be summarized in the phrase, LACK OF CONFIDENCE! This lack of confidence is partly due to the unsettled political situation in China, but to an even greater extent it is due to lack of confidence in the ability or desire of the present foreign controllers of the Settlement to make adjustments in their relationships with the Chinese. According to the circular issued by the foreign real estate company the most serious slump in real estate values was in the spring of 1927. This is a curious admission for at that time there probably were 40,000 foreign troops stationed in and about the borders of the so-called International Settlement. But despite this great foreign protective force at Shanghai, the real estate market became stagnant and Shanghai Municipal debentures slumped. Owners of Municipal debentures abroad and this included hundreds of Englishmen who have retired from China to their home land, lost confidence in Shanghai and dumped their holdings of debentures on the market. Even now, according to popular report, the Settlement authorities are having difficulty in disposing of a new bond issue. The reason for this situation is obvious: it is due absolutely to the refusal or inability of the foreign authorities in the Settlement to adjust their relation with the Chinese both inside and outside of the Settlement. And this in the face of the fact that the authorities of the adjoining French Concession have been able to solve the problem without much difficulty. Shanghai is now facing an annual election of municipal councillors but so far as anyone on the outside is aware the voters of the city will again be presented with the usual "slate," otherwise men selected to represent the various lines of foreign "interests." Any resident of average intelligence could pick the list with his eyes closed for so-and-so will represent this interest and another so-and-so will represent that interest, There may be new personnel, but no change in the system which has brought Shanghai into the present deadlock which is responsible for the stagnation that the real estate men complain about. The significant element in the situation is that the persons who are responsible for the present deadlock are their own worst enemies for their intransigent attitude is constantly makingthe Chinese more uncompromising and more determined to overthrow the foreign authority without regard for consequences.

THE RECENT appointment of a Chinese Advisory Committee to assist the Shanghai Municipal Council in the preparation of the next budget, appears on the face of things, suspiciously like the old attempt to sidestep the real issue of Chinese representation which failed so miserably in 1925 when the previous Chinese advisory committee resigned in a body. The present deadlock had its beginning at that time and from present indications is likely to continue until there is another incident which may throw the whole city and country into turmoil and which may quite likely result in the so-called International Settlement being turned over to the Chinese, lock, stock and barrel, without previous preparation. If someone had sufficient courage to come out with a new slate of candidates for the Shanghai Municipal Council on a platform devoted to the solution of the Shanghai deadlock and the working out of a plan for Sino-foreign cooperation and the development of a "Greater Shanghai" then we would have confidence in the future of Shanghai and might listen to the arguments of the real estate men!

Mr. Green Has Returned to Shanghai!

MR. GREEN—we mean, Owen Mortimer Green, Esq.—has returned to Shanghai from a visit of several months at his home in England. Mr. Green is the editor of Shanghai's "official" British organ, the *North-China Daily News*; at least we assume that to be the case since they print his name in small type at the head to the editorial column along with the subscription rates, telephone numbers and office hours. Mr. Green received his education at Lancing and Caius College, Cambridge and arrived in China in June 1907. Prior to coming to China he had newspaper experience as a member of the editorial staff of the *Morning Leader* serving three years in London and for five years in Paris and Rome. He came to China to join the *North-China Daily News* and has been with that paper to the present. Mr. Green's biography does not give his age, but by putting two and two together we assume him to be somewhere between forty-five and fifty. From the standpoint of nationality, Mr. Green is *English*, a matter which has a considerable bearing upon what we are planning to say a little further along in this discussion!

When Mr. Green went home last year it was commonly reported that he did not intend to return, at least one member of the staff of the "official" organ circulated that information about Shanghai quite generally. But Mr. Green has returned and is back on the job. We know this to be true because he contributed an article to his paper on Thursday, February 9 under the heading, "England after Eight Years," which article, after telling us about the many fundamental changes which have taken place in the past eight years, ended up with the sentence, "England is a glorious place," which we suppose to be the English equivalent for the Americanism, "This is God's Country."

Mr. Green's article about the changed conditions in England started out by telling us that the phrase, "But that was before the war," is commonly heard among those who are thirty years and upwards, meaning that the "golden age" when servants could be employed for £25 a year and suits could be purchased for six guineas from a "first-rate West End tailor," are gone and that a large generation has grown up which has no knowledge of pre-war England and school-masters and mistresses find it difficult to make their pupils realize the significance of Memorial Day. "Nobody is ashamed to be seen carrying parcels now-a-days," explained Mr. Green, "and when servants leave and none can be got to replace them, we boast of our skill in washing up and cleaning." He then tells us that "whiskey is plentiful at 12/6 a bottle" but that people are now "drinking with discretion" in proof of which he declared that he saw only one drunken man while he was home. There also have been other changes, for example, "time was when Picadilly and Regent Street contained none by night except men, and members of 'the oldest profession'." There are more girls about the streets now than in the "golden age" "but they are respectable girls," we are informed. Which moves the editor of the "Old Lady of the Shanghai Bund" to exclaim, "How pretty the London girls are!" They have coloring, brightness of eyes and show so much taste in dress. Also they do not have large splay feet as some rude uncultured American is supposed to have once remarked, and, according to Mr. Green, the London girls all wear artificial-silk stockings.

Well, Mr. Green! We are glad you are back and we are glad that you took note of changes which have taken place in England since the war—since the passing of the "Golden Age"—and we are interested in learning that home employers complain that the young men of the day are not enterprising, that they prefer a pittance in England, a motor-cycle and the pillion girl, to the greater prizes offered by adventuring abroad. We are also interested in hearing of the increased cost of living and about how everybody is crazy about amusement; the packed cinemas and so on. We wish Mr. Green had enlarged on the labor and economic situation and the effect of these elements on modern British policy as contrasted with British imperial policy in the "Golden Age," but we forgive him for that because he probably did not want to shock his die-hard readers too much in the first article. In reference to labor conditions he only said that despite Mr. Cook's frantic resistence, "the labor classes are sick of strikes and there are healthy signs of a drawing together of Labor and Capital." Communism, in Mr. Green's opinion, "undoubtedly appears to have fallen into disrepute." In conclusion Mr. Green is sure that England hasn't gone entirely to the dogs and that "in spite of heavy taxation manfully borne, uncertain weather.....England is a glorious place." So that's that!

Now we come to the important part of the discussion: Mr. Green and the *North-China Daily News*! As mentioned in the opening paragraph of this discussion Mr. Green is English and the *North-China Daily News* of which he is editor, is a British newspaper, or at least it is registered as a British newspaper. The proprietors of the paper are of British nationality; whether they are English, Scotch, Irish or Welsh, we do not know; but they are British anyway. The *North-China Daily News* is popularly regarded as the "official" British organ in China, due chiefly to the fact that it publishes all of the official notices of the local British governmental organs such as the Consulate-General and Court. Then in addition it publishes the *Municipal Gazette* or weekly record of the activities (such as they choose to make public) of the Shanghai Municipal Council, a predominantly British body despite its camouflage of "internationality," and its inclusion in its membership of a few Americans and Japanese who fulfill a useful purpose as "Yes-men." Several years ago when *The China Press* was established as an American newspaper in Shanghai and *was an American paper* from the standpoint of editorship and ownership the Shanghai Municipal Council refused to permit *The China Press* to have proofs of the *Municipal Gazette* prior to its circulation by the *North-China Daily News*. This gave the *North-China* an absolute monopoly of the news pertaining to the activities of the Council, but *The China Press* made a fight on this matter and as a result the Council was forced to send around proofs of the *Gazette* to the other newspaper offices on the evening prior to its circulation by the *North-China*. This enables the other newspapers in Shanghai to enjoy an "even break" with the "official" British organ from the standpoint of news emanating from the Council. But the *North-China* is still looked upon as the official British organ and in certain Chinese circles is thought to be subsidized by the British Government, which impression was quite prevalent during the World war. This impression, however, is probably not correct, but the *North-China Daily News* does receive certain advantages and benefits which other newspapers in Shanghai do not receive. It usually receives the first "tip" on news items emanating from official circles

and as stated in the preceding paragraphs, it receives all of the official paid notices from the British Consulate and Court and the Shanghai Municipal Council and also from other foreign consulates in Shangha which follow the lead of the British, which includes the American Consulate-General. Then in addition to the foregoing, there is still another element which serves to give the North-China "official" prestige,—the age of the paper—it having been published almost continuously since the organization of the so-called "international" Settlement of Shanghai.

To get back to Mr. Green and his editorship of senior British organ, we find in his biography that he came to China in 1907 and after occupying the position of assistant editor for several years was made editor. He undoubtedly has had much to do in the modern development of the paper. While Mr. Green is possessed of the unfortunate "superiority complex" which has made Englishmen unpopular all over the world, it must be admitted that he probably is the best educated and most cultured Britisher in Shanghai. Mr. Green gave the *North-China* its reputation for fairness and impartiality which was responsible for the past popularity of the paper despite its official character. If there is anybody in Shanghai who should be intellectually equipped to interpret British policy to China it ought to be Mr. Green for he was born in England, educated in England, and is an Englishman.

But,—and this leads to what we have been driving at—something has happened to the *North-China Daily News* in recent years which has caused the "official organ" to lose its prestige as an expression of British thought and policy. The reason for this is not clear to the public which reads the paper, but there is little questioning the fact that something has happened somewhere in the management and control of the *North-China Daily News* which has caused the paper to cease being an enlightened and impartial purveyor of *news* and has caused it to become a moribund vehicle of propaganda, more often than not at cross-purposes with British policy. The issue of the paper on Thursday, Feb. 8 provided an excellent example of what we have in mind, for on that day *Reuters* carried a story from London reporting the parliamentary debates which began with the following paragraph:

> "Mr. Ramsay Mac Donald, (Labor Leader) speaking in the debate in the House of Commons today on the Address in reply to the King's speech, *condemned the Speech as being the most meagre that he had ever heard.*"

That, apparently, is exactly what Mr. Ramsay MacDonald said in his opening remarks, for it was so reported in both the *Shanghai Times* and *China Press*, the other two morning British newspapers, but when the *Reuter* dispatch appeared in the *North-China Daily News* it was changed to read as follows:

> "In the debate on the Address in reply to the King's Speech, Mr. Ramsay MacDonald, the Labour leader, welcomed most sincerely the reference made in the speech to China.....etc."

In other words the *North-China Daily News* saw fit to "edit" the address by the British Labor leader and leave out the phrase, *"condemned the Speech as being the most meagre that he had ever heard."* Why this was done we do not know, but apparently the senior British newspaper in Shanghai did not want its readers to know that Mr. Ramsay MacDonald had criticised the King's Speech. This may appear, superficially, to be a minor matter, but actually it is most serious because it illustrates how the *North-China Daily News* has ceased to be an impartial reporter of the news which comes to the Far East from Europe. From the standpoint of local news pertaining to Chinese political affairs the situation is much more serious, for the *North-China Daily News* has ceased to be an impartial newspaper and has taken sides when the British Government has been doing everything possible to follow a neutral course from the standpoint of domestic Chinese politics. Before the Chinese Nationalist forces reached the Shanghai area the *North China* through its news and editorial columns created a false feeling of security here by continuously telling its readers about the alleged impregnability of Marshal Sun Chuan-fang, the Northern military controller of this district and then when Sun was defeated and driven out, the *North-China* was largely responsible for the creation of the "barbed-wire" hysteria which prevailed here for so many months and which did so much to antagonize the leaders of the Kuomintang and create anti-foreignism. After the Nationalists obtained control of the Shanghai area the *North-China* continued its campaign of villification and even went to the extent of editorially advocating the creation of incidents here in order that the Powers might be forced to intervene with their military forces. Even as late as Feb. 6. the North-China published an editorial which contained a veiled attack on Mr. Hwang Fu, the new Nationalist Minister of Foreign Affairs on the grounds that he was "suspected of a previous pro-Soviet relationship." "Then for a still more recent example, the issue of the North-China for February 10 contained a copy of an alleged "Kuominchun Political Catechism" which was supposed to have been issued from a printing plant in Lanchow, Kansu, (about 2000 miles inland from Shanghai) the purpose of the publication being to create the impression that Feng Yu-hsiang is "anti-foreign" and is teaching anti-foreignism to his soldiers. The North-China for some reason does not like Feng Yu-hsiang and passes up no opportunities for attacking him, while at the same time refusing to publish any material favorable to him which is circulated from time to time by the *Kuo Min* News Agency. the official organ of the Nationalist Government. Feng Yu-hsiang in recent months has developed as one of the important military factors in the Nationalist movement and the recent appointment of Mr. Hwang Fu as Minister of Foreign Affairs is supposed to have made in deference to Feng's influence in the Kuomintang. The North-China doesn't like Feng so it attacks Mr. Hwang Fu. The same thing is done repeatedly in regard to Dr. C. T. Wang, ex-Foreign Minister who is also an associate of Marshal Feng Yu-hsiang

When the British military forces were sent to China early in 1927 it was the *North China Daily News* which was largely responsible for creating the impression among both foreigners and Chinese that this was the beginning of an extensive military intervention in China, which in turn was responsible for the acute anti-foreignism which developed among the Chinese. The *North China* either refused to publish or buried in obscure places in its daily issues any statements from London or Washington that there was no intention on the part of the British or American Governments to intervene in China and when the paper was forced to print President Coolidge's declaration that there was to be no intervention, it immedietely launched upon a campaign of villification of the United States for its attitude in opposing intervention and immediately urged a renewal of the Anglo-Japanese Alliance in order to neutralize American influence in the China situation.

It was this sort of intransigent policy on the

part of the official British organ in Shanghai that finally caused the Chinese to bar the paper from circulation through the mails for a considerable period last summer and which recently caused Sir Austen Chamberlain, Secretary of State for Foreign Affairs of Great Britain to declare on Jan. 19 last,

> "I hope that the British communities, and particularly the British press in China, will do their share in bringing home to the Chinese people the goodwill entertained for China, not only by His Majesty's Government, but by all his countrymen—the desire they all have to live in peace and friendship with them."

As stated in a previous paragraph of this discussion, the general public is not yet aware of the inside reasons for this attitude of the senior British newspaper in Shanghai which has for long been popularly known as the "official" British organ in China. But apparently something has happened in the management or ownership of the paper which has caused it to adopt an attitude almost diametrically opposed to the policies of the home British Government. It is an open secret in Shanghai that most of the editorials in the *North-China Daily News* are, or were prior to Mr. Green's return, not written by Britishers, but were contributed by outsiders of non-British nationality, who were either acting under instructions to "knife" British policy or had private axes of their own to grind. It is this situation which has caused the responsible British residents of Shanghai to become more and more apprehensive of the perils which their leading newspaper is creating for British interests in China. Last summer a number of the leading British residents of Shanghai started a movement to "divorce" the *North-China Daily News* as an "official" organ of the Shanghai Municipal Council, but apparently nothing came of this movement. But though the movement failed it should have carried a warning to the proprietors of the paper that serious complications are pending unless they change their present course, for obviously the British people at home who are already overwhelmed by taxation and a shrinking world trade will not much longer permit a newspaper in Shanghai which carries the imprint of Britain and is supposed to represent the best British thought to keep on playing fast and loose with Britain's best interests in this part of the world. Since circumstances have developed which will not permit the British tories to use force in settling their differences with China, the only other course open is conciliation—meeting China's demands for treaty revision and readjustment in the best spirit possible and at the same time trying to win back the friendship and respect of the Chinese people. In view of this situation it is obvious that the British people at home who are footing the bills for the upkeep of their defense forces in China, will not much longer permit a British newspaper in Shanghai to continue a policy which is rapidly undermining not only British prestige but is actually destroying the value of British investments in the Chinese Republic, investments built up through painstaking effort extending over a long period of time. To borrow an illustration from H. G. Wells' excellent book, "Meanwhile" the *North-China Daily News* for the past three or four years has acted like a Gold Coast nigger who is suffering from the first intimations of old age and thinks he is bewitched and will get all right again if he can only find out and kill the witch. In the case of the *North-China Daily News* Bolshevism is the witch which is responsible for all the trouble the British are having in China. The Russian Bolsheviks inspired the Nationalist movement; the Russian Bolsheviks made the Nationalist movement anti-British; the Russian Bolsheviks inspired Dr. Sun Yat-sen and then they inspired the Chinese people to make him a national hero; the Russian Bolsheviks are behind the Chinese demand for treaty revision; the Russian Bolsheviks are responsible for the Chinese demand for participation in the administration of the so-called International Settlement; and finally since the Chinese Nationalists have kicked the Russian Bolsheviks out, the *North-China Daily News* is certain that they have hordes of secret agents still hiding in China and awaiting the signal from Moscow to again seize control of the Chinese Nationalist movement.

It is Mr. Green's problem to bring the British official organ back into the realm of present-day China in which Britons must live if they expect to be able to continue to function and do business in this part of the world. Mr. Green spent sufficient time in England to acquaint himself with conditions prevailing in that country. His article indicated that he realizes what has happened to England and the Empire since the World War. Undoubtedly he realizes that British policy in the Far East is not, and cannot be what it was in the "golden age" which he regretfully admitted is now a thing of the past. Mr. Green must realize that the day of the "die-hard" foreign newspaper in China is a thing of the past and that there is no longer any place in modern China for the sort of newspaper which the publishers of the *North-China Daily News* have been giving the foreign and Chinese public here. Sometime ago we called attention to the fact that the *Shanghai Times* has gradually become the leading newspaper in Shanghai; that the *Times* now enjoys more prestige because of the fairness and impartiality and accuracy of its news than does the *North-China Daily News*. The *North-China Daily News* is a valuable newspaper property and it would be unfortunate for that newspaper to go the way of *The China Press*. We therefore welcome Mr. Green back to Shanghai and we wish him good luck in his not easy task of bringing the senior British organ in China back into the realm of honest, fair, British journalism in the Far East. We hope that he will be successful in making the paper a genuine exponent of real British policy in China and we hope he will immediately relegate to the scrap-heap the influences which have made that newspaper a detriment rather than an asset to Great Britain in this part of the world!

Dollar Company Denies Charges of British Interest in Their Pacific Lines

Captain Robert Dollar, president and Stanley Dollar, vice-president of the Robert Dollar Company have officially denied charges made in Congress on Jan. 26 that British financial interests were involved in their trans-Pacific or coastwise lines, according to a report appearing in the *Japan Advertiser*, American newspaper of Tokyo, on Jan. 27. According to the report, Tasker L. Oddie, Republican of Nevada and Duncan U. Fletcher, Democrat of Florida, both made speeches alleging that British interests were involved in the Dollar lines. As soon as Captain Dollar was informed of the charges, he issued a statement that the allegations "were wholly inaccurate, incorrect and absurd, as reference to the records of the Shipping Board in Washington will show." Captain Dollar stated that while certain of the freight steamers operated by his company were under British registry that all of the passenger steamers carried the American flag and were entirely American owned. He also stated that steps had been taken several months ago to dispose of the freight steamers under British registry to a British company in Vancouver. The above charges were made in connection with the debates in Congress on the Jones Merchant Marine Bill which recently passed the United States Senate by a large majority.

The Jones Merchant Marine Bill which passed the Senate by a vote of 63 to 31 provides that no vessels under the jurisdiction of the United States Shipping Board can be sold to private interests without the unanimous vote of the Board.

Increasing U. S. Imports into China

BY JANET H. NUNN, IN THE U. S. COMMERCE REPORTS

CHINA'S gross imports from the United States during 1926, according to the Chinese maritime customs returns which are now available in complete from, aggregated 187,647,086 haikwan taels, an increase of 31 per cent compared with 142,513,422 taels for 1925.

This noteworthy result was accomplished not only by the fall in silver exchange (the tael being equal to $0.84 in 1925 and $0.76 in 1926), which enhanced the value in taels of China's imports, but also by much heavier orders from the United States. Little increase, if any, was attributable to the introduction of new lines. All attempts to branch out into new fields were sharply contested, while even well-established lines of American trade met with increasingly keen competition from Japan, Great Britain, Germany, and Belgium.

Commodities Showing Import Trade Possibilities

Approximately one-half the value of China's imports of American merchandise consists of petroleum and tobacco products, which, obviously, fluctuate considerably according to trade conditions, but in which the United States maintains leadership. These products always command attention because of their importance, but much interest during 1926 also centered about other items which, although of less specific value evidenced marked increases during the year.

The following table, accordingly, lists commodities which not only show large gains but which generally appear to effer possibilities for increasing development:

Selected list of American products imported into China during 1925 and 1926[1]

Articles	1925 Quantity	1925 Value *Haikwan taels*	1926 Quantity	1926 Value *Haikwan taels*
Raw cotton, piculs	145,586	6,637,262	506,424	18,031,675
Lumber, softwood superficial ft	110,717,000	4,101,368	202,084,000	8,087,260
Flour, piculs	931,524	5,088,496	1,448,414	7,880,345
Wheat, do	111,194	422,851	628,257	2,851,980
Tin plate, do	260,605	2,116,224	351,409	3,214,332
Paper, all kinds	———	1,339,381	———	2,650,736
Automobiles, pieces	1,676	1,961,881	2,181	2,563,858
Leather, piculs	20,974	1,151,915	30,127	1,943,772
Electrical materials	———	1,040,589	———	1,629,329
Medicines	———	934,730	———	1,381,102
Rails, iron and steel piculs	309,536	775,461	429,662	1,321,512
Railway materials	———	665,149	———	838,047
Textile machinery	———	576,585	———	806,846
Photographic supplies	———	556,693	———	733,459
Leather manufactures	———	332,058	———	613,231
Rubber tires	———	302,583	———	495,591
Rubber shoes	———	209,109	———	302,402
Rosin, piculs	25,117	150,889	38,766	374,878
Cigarette-making materials	———	114,120	———	233,060
Agricultural machinery	———	80,318	———	228,255

[1]The figures represent gross imports, which include reexports to foreign countries.

Raw Cotton and Flour Show Marked Gains

The noteworthy increase in raw cotton imports from the United States invites special attention. Although Japan and India control the Chinese cotton market, China took advantage of America's cheap product during 1926 and placed orders for approximately 200 per cent more than in the previous year. China also bought five times as much American wheat and approximately one-half more flour than in 1925. The flour market fluctuates widely according to crop conditions, especially in North China, but the United States competed successfully with Japan and Canada for one-third of China's total import. American wheat, however, constituted only about one-tenth the total foreign wheat marketed in China, the bulk being supplied by Australia.

Increasing Popularity of American Metal Products

Great Britain, Germany, Belgium, and Japan largely dominate the Chinese metal trade, hence China purchased from the United States only about one-fifth of the total value of its imports of copper, iron and steel, brass, and lead. It did, however, buy more American rails and tin plate, amounting in each case to about one-half of the amount purchased abroad, and also 68 per cent of the copper ingots and tinfoil. There was also a greater demand for American files, furniture, hand tools, scales, and general hardware.

Larger Purchases of Industrial Machinery and Electrical Equipment

Exclusive of electrical materials and supplies, China buys comparatively little machinery from the United States. In 1926 increased its purchases along industrial lines, however, recording a gain of 182 per cent in equipment for agricultural uses and approximately 38 per cent for textile manufacturing. Extension of China's lighting, construction, and communication facilities created a greater demand for electrical equipment, for which the United States filled orders for fully 56 per cent more than last year.

China more than doubled its purchase of American rosin and bought one and one-half times as much leather, besides more trunks, suit cases, boots and shoes, and larger quantities of leather belting. Imports of American paper practically doubled in value. One of the lines showing the most marked advance was writing, drawing and art-printing paper, in which the United States apparently matched Japan's popularity. The value of receipts of perfumery and other toilet preparations increased more than 100,000 taels, while China spent approximately 63 per cent more for American rubber tires, twice as much for rubber shoes and cigarette-making materials, and 30 per cent more for railway materials.

Improved Refrigeration Facilities for Perishable Products

American applies and oranges were displayed in increasing quantities, along with larger amounts of cheaper Japanese fruit, while American raisins, which apparently had a clear field, showed a gain of 50 per cent. American brands of canned milk not only proved the most popular with the Chinese, but recorded an increase of nearly one-fifth in value. Increased refrigeration facilities, offered by some of the shipping companies whose boats enter oriental ports, are opening up additional possibilities for marketing perishable products in China.

Last Year an Eventful One in the Silk Industry

BY PAUL K. WHANG

THE dawn of 1927 found the silkmen in a state of much apprehension, inasmuch as the war clouds were gathering fast along the Kiangsu and Chekiang borders, with the possibility of turning Central China's cocoon and silk districts into a great battlefield. Nevertheless, the state of war did not last long, when a sudden turn of the political tide caused the end of the militaristic rule in this region. The downfall of militarism was, however, followed by the unexpected communistic regime, which wrought great havoc upon industry and commerce. Fortunately the "Reign of Terror" was cut short, when the conservative Nationalist chiefs took the stand of eradicating the communistic elements from the rank and file of their party. Since the Nationalist force has ascended to the power in Central China, every thing has taken on a new aspect, with the formation of various labor unions which have had their avowed purpose to better their livelihood. As a result, our silkmen have been brought face to face with a set of new problems which were unknown to them in the past years, and have been forced to change their old methods of running their business in order to adapt themselves to the new environment. In analyzing the silk trade of that eventful year, the writer presents the following in a chronological order

A Chronology

In January and February, of 1927 as usual, the business was very dull, largely due to the Chinese New Year holidays which took two to three weeks. Besides, incessant warfare paralyzed the means of communication and transportation, and interfered with the operation of many a filature. Throughout the month of January, the price of the best silk was quoted at 1,300 taels per picul in the local market with a little fluctuation, and was decreased by 100 taels per picul at the end of February.

The silkmen had their bitterest experience in the months of March and April, when the communistic elements of the Kuomintang Party took the power in their hands to try out their doctrines. The atrocities wrought by the General Labor Union elsewhere did more harm than good to the Nationalist cause. With the persistent cry for high wages and short working hours, the managers of silk filatures had the difficulty of maintaining order and discipline over the female workers. As a matter of fact, to produce the silk of the best quality, a strict supervision over the working people is indispensable. In the meantime, the strike became a fad everywhere. During these days, in Hangchow, Wusih and Soochow, the female

workers of the silk filatures forced the managers to accept their demands under duress. Therefore, at one time, many of the filature men having realized the anarchic situation they were in, threatened to close down their filatures altogether. They only refrained from taking such a step, when the split in the Kuomintang Party exterminated all the radical elements from the power, thus saving China's national industry. With the political and economical conditions such as these, naturally we can not expect there was much business done in these two months.

Ordinarily, in March and April, the busiest months of the year, the silkmen sell their "new" silk on forward contracts. By "new" silk is meant silk reeled from cocoons of the new season. Last year, however, the silkmen dared not sell their "new" silk beforehand, upon considering thepolitical uncertainties which might interfere with the cocoon production on the one hand, and labor unrest which would affect the quality of silk production on the other. The Silk Filatures and Cocoon Merchants Guild even went so far as to warn the silkmen against selling "new" silk before the season. Only a few silkmen defied the warning and sold a few hundred piculs in an underhand way. From reliable sources I learnt there secret sales were not over five hundred piculs, which was a very small quantity in comparing with several thousand piculs they would sell by that time in other years. On account of the scarcity of the offer, silk was sold at a comparatively high figure, as reported, the best chop of "new" silk being sold at 1,400 taels for June and July delivery.

More Cheerful in May

The month of May found the silkmen once again in a cheerful mood, with the revival of hope and optimism, when the Nationalist government assured the silkmen of every protection of the cocoon and silk industry. This assurance was made doubly sure, when the soldiers were ready to be dispatched to the cocoon-producing districts on request during the cocoon season. At this juncture, the silkmen were on the market to sell their silk for the coming season, but they could not find buyers.

The cocoon season was ten days late last year on account of the prolonged cold weather. During the cocoon season, the weather was exceedingly fine and dry—an ideal weather for the rearing of silkworms. Word from the farmers gave promise of a good season; this certainly served a stimulus to the silkmen, who hitherto had been at the crossroads. Accordingly, at the last minute, the silkmen got themselves fully engaged in mapping out the plan for the purchase of cocoons.

To the astonishment of silkmen themselves, the cocoon crops turned out to be not only abundant in quantity, but also excellent in quality. The reporter for a certain newspaper said "The lower Yangtze valley is enjoying the best cocoon crops it has had in years". From our rough estimation, the best cocoons were produced around the Hangchow district of Chekiang province last year. The following table indicates the price paid for the fresh cocoons in different districts in Central China and their respective gross yield.

Name of District	*Price per picul*	*Gross Yield*
Soochow	$48—$55	500—560
Wusih	$50—$60	520—660
I-Shing	$50—$65	480—560
Liyang	$50—$65	490—540
Hangchow	$45—$54	480—540
Changan	$45—$54	480—540
Kashing	$45—$56	480—595
Shaoshing	$48—$56	480—540
Anhwei	$40—$50	600—700

After the cocoon season, the silk filatures resumed their operation by the second week of June. But the quotation of the silk of the new season registered a drop by somewhat 100 taels per picul, partly due to the eagerness of the silkmen to sell their products, and partly due to the cheapness of Italian and Japanese silk. The best China was sold at 1330 taels per picul, while the silk of class C. was sold around 1000 taels, the market was slack throughout the month.

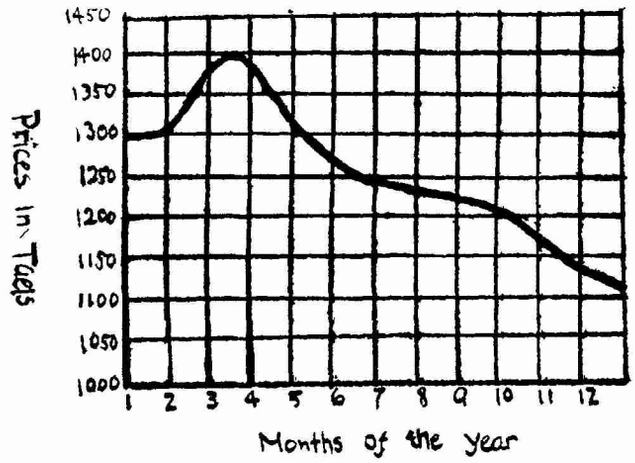
The Summer Strike

At Shanghai the long expected strike of female workers finally broke out at the end of June with eighteen filatures tied up out of the total number 91. Hitherto, the workers on the Shanghai silk filatures had not followed the example set by the silkwomen of other districts in exacting demands from the management, and their schedule of wage payment and working hours had not been revised. Therefore, this strike was altogether expected. As usual, they went on strike on a very small pretext. On June 28, the female workers of a certain silk filature left their work on account of their opposition to the erection of partitions in the women's lavatory. Under this pretense, the strikers soon prevented the workers of many other filatures in the neighbourhood from working, and finally eighteen filatures were tied up for two weeks. This strike drew the workers of other filatures in Shanghai into the broil, had not their management taken precautionary measures in raising their wages spontaneously. As a result of this strike, the daily wage was raised from 50 cents to 58 cents and the working hours were limited to eleven. This new schedule of wage payment and working hours was soon followed by filatures in other districts.

In August and September, the filatures were operated half of their usual time on account of the excessive heat. As a rule, there was not much business to be transacted in these days.

As we pass on from the hot days of September to the cool weather of October and November, instead of turning better, went from bad to worse, with the price dropping every day. This state of affairs certainly caused great alarm among the silkmen who had to sell their products at a loss in order to keep their filatures running. In spite of the cheap price paid for cocoons and their high yielding quality, the silkmen could in no way reduce their manufacturing cost on account of the increase in the payment of wages and taxes. The Japanese silkmen also faced with the same difficulty in marketing their products, and their government was compelled to advance 50,000.000 yen to the silkmen at a low rate of interest in order to hold up the market. This financial help was of no avail, as the Japanese market did not become any better. By the beginning of December, the price of our best silk dropped as low as 1,100 taels per picul, while that of class C. was only quoted at 850 taels. When the curtain went down for another year, our silkmen were just in a state of much apprehension as they were in at the beginning of the year, but this time they were worried over the losses they were to sustain in disposing of their silk at the prevailing market price.

The following is a graphic representation which will indicate the fluctuation of the price for the year of 1927.



In conclusion, 1927 was the most eventful year that silkmen have ever experienced, in which they have seen the kaleidoscopic changes in political as well as economical conditions. In fact, it was also a very dull and lifeless year, so far as the market was concerned, as it is not featured with any sensational rising in price. Since March where the climax of price was reached the price declining all the time. In spite of the fact that last year's cocoon crops were exceedingly good, we can not term 1927 as a successful year to our silkmen.

Shanghai Feb. 13, 1928.

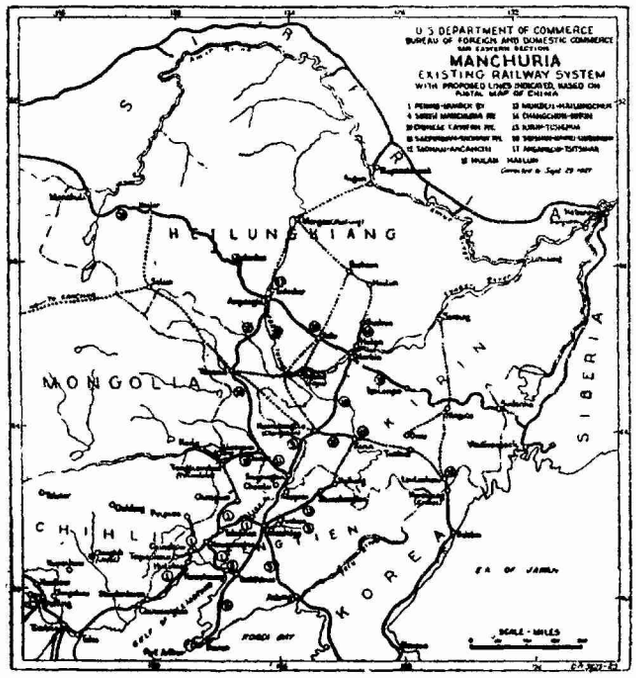
Nationalist Government Urged To Prohibit Anti-Christian Slogans

New Yung-chien, acting on behalf of the Kiangsu Provincial Government Committee and Chang Tze-chiang, on behalf of the Nationalist Government, have petitioned Gen. Chiang Kai-shek and the Nanking Political Committee to issue an edict prohibiting the use of anti-Christian slogans by the Chinese people. Slogans particularly mentioned in the petition are, "Down With Christianity and Other Religions," "Religion is the Opiate of the People," and similar phrases which are supposed to have been introduced into China by the Communists. The petition states that while these slogans may have served a purpose in Russia where the Greek Church was powerful under the Czarist regime, that they have no particular point in modern China and should be abolished, especially in view of the fact that religious liberty is supposed to prevail in China. "We know that Christianity is a 'protestant' or reformed religion," states the petition, "hence, since it includes revolutionary ideas and puts stress on the salvation of the lower classes of the people, there it has no real connection with imperialism."

Manchuria's New Railways

(Charles K. Moser, In The U. S. Commerce Reports)

THE immense tide of Chinese immigrants pouring into Manchuria from the more southern Provinces, and the outstanding prosperity of the region as contrasted with the economic disorder prevalent over the rest of China, have



served to bring again to the attention of the western world the remarkable program of railway expansion that is taking place there. While railway development in China proper stagnates, three nations—China itself, Japan, and Russia—are displaying exceptional activity in the construction or planning of new Manchurian railroads.

Most of the lines projected, or in course of actual construction, have been planned to open up the lands they are to traverse for economic exploitation and settlement by the new colonists; but the possibility of advantages other than economical has not, in some instances, been overlooked.

Fertile Manchuria Provides 30 Per Cent of China's Trade.

Manchuria embraces the three eastern Provinces—Fengtien, Kirin, and Heilungkiang—in an area of over 265,000 square miles. Its soil generally is of almost exhaustless fertility and it possesses immense potential resources in agriculture, timber, and mineral wealth. In 1920 the total production of north Manchuria alone was estimated at a value of $320,000,000. Soya beans, wheat, millet, and kaoliang are the principal crops raised, but the cultivation of sugar beets and the breeding of livestock are of growing importance. While industrially undeveloped as yet, there are in the larger cities modern flour mills, bean-oil mills, soap works, sugar refineries, sawmills, distilleries, breweries, glass factories, and tanneries. Although the population of Manchuria constitutes but 6 per cent of the population of China, in 1925 Manchuria's total trade constituted 30 per cent of the total Chinese trade.

Railway Development Attracts Vast Colonist Movement.

Thirty years ago Manchuria had no railways and its population was less than 2,000,000. To-day its railways total nearly 4,000 miles—about as much as the whole of the rest of China—and the population, according to recent estimates, numbers over 27,000.000. Railway development has brought into Manchuria probably the greatest colonization movement that has ever taken place in history, in an area of similar size and in a similar length of time. In one month, March, of the current year approximately 200,000 Chinese immigrants passed through the port of Dairen. Hitherto the movement has averaged around 400,000 immigrants per year, but for 1927 it is believed that the total influx will reach 1,000,000, 15 to 20 per cent of whom are women and children. These are permanent colonists.

Railway Construction in China Proper Stagnant.

Railway construction in China at present is practically confined to Manchuria. Military activities and political uncertainties, combined with lack of funds, are the retarding factors. In Manchuria, on the other hand, at least five principal lines have been in process of construction during the past two years.

The Hulan-Hailun Railway.

Among them one of a perhaps purely economic character is the Hulan-Hailun Railway, commonly referred to as the Hu-Hai line. From Sungpu, on the Chinese Eastern Railway and directly across the Sungari River from Harbin, this road runs northward through the fertile valley of the Hulan River, one of the richest wheat-producing areas of Manchuria. It has now been completed through Hulan to Suilhua, a distance of 70 miles, but the work is being extended 50 miles farther to Hailun. This road is a purely Chinese project, financed with Chinese capital, under the direction of Governor Wu of Heilungkiang Province. It is claimed that the whole line has been built with excellent trackway, permanent buildings, and big bridges, and equipped with the best of American-type rail stocks, at a total cost of but $20,000 per mile. During the summer of 1927 a portion of the line was badly damaged by floods in the Hulan Valley, and traffic on the completed stretch is impeded by repairs while new construction is being held up.

The Hu-Hai line is often discussed as the first link in a projected Harbin-Hulan-Hailun-Mergen-Aigun railroad, the concession for which, under the term Pin-Hei Railroad, was once, in 1916, granted to the Russo-Asiatic Bank. Such a line would link up Blagoveshchensk, Siberia's important wheat center on the Amur River, with Harbin, and dominate an agricultural territory of more than 60,000,000 acres, suitable for cultivation. The present cultivated area is estimated at about 8,000,000 acres, with a population numbering 3,000,000, and grain exports are placed at 1,000,000 tons.

Tahushan-Tungliao Railway.

Another important railway in course of construction is the extension of the existing Tahushan-Changwu branch of the Peking-Mukden Railway from Changwu to Tungliaochen (Payantala). Its completion will bring into existence the southern section of the old Chinchow-Aigun project, for the construction of which an American concession was obtained in 1910 and subsequently allowed to lapse. Work on this 90-mile stretch is at present proceeding actively under the supervision of the Peking-Mukden Railway. It is expected that all earthwork will be completed in 1927 and the road opened to traffic the following year, if no untoward conditions are encountered. It traverses a country at present sparsely inhabited but admirably fitted for agricultural settlement as well as for cattle raising.

The completion of this road will provide an all-Chinese line from Angangchi, on the Chinese Eastern Railway in North Manchuria, to the potential port of Hulutao. Some opposition to its construction has been encountered, since it will parallel for a considerable distance Japan's South Manchuria Railway, and provide an all-Chinese competitive outlet for the region now covered by the Ssupingkai-Taonan Railroad and its projected extensions.

Mukden-Hailungchen Railway.

A third line, opened September 3, last is the Mukden-Hailungchen Railway, which is to be extended northward from Hailungchen to Kirin, about 90 miles. This extension is being constructed by the Chinese authorities of Fengtien and Kirin Provinces, and completion during 1928 is anticipated.

Opposition to the construction of the extension to Kirin is also being encountered, on the ground that it parallels both the South Manchuria and the Changchun-Kirin roads. It is feared that if the provincial authorities bring to accomplishment the passage of their line across the zone of the South Manchuria Railway at Mukden, thus linking it with the Peking-Mukden line, it too may become a feeder of the proposed all-Chinese railway system terminating at Hulutao. Not only would this interfere with the economic control imposed by present railway systems in Manchuria, but it would tend to face the whole Kirin productive area economically toward the south, whereas plans have been made to give this territory an outlet toward the east by a line from Kirin to the seaports of northern Chosen.

Kirin-Chosen Railway.

Both Soviet Russia and the Chinese authorities at Peking, it is reported, have been informed that the Kirin-Tunghua-Kainei (Hweining) railway project, which has been in abeyance for 10 years, is now to be pushed through to completion by Japanese capital. This line consists of two sections: The Kirin-Tunghua, 150 miles long, which is actually under construction, and the Tunghua-Rainei section of 75 miles, which is still on paper. The whole road traverses difficult country, and even on the Kirin-Tunghua section, where the Sungari River has been successfully bridged, track already laid for about 25 miles out of Kirin, and most of the earthwork completed, the tunneling is so extensive that the line will not be opened until October 28. At Kainei, on the Chosen border,

the road will meet a projection of the Chosen Railway from the ice-free port of Seishin.

In 1917 Japanese interests agreed with the Chinese to advance a loan of $10,000,000 for this project, China to build the line. Political circumstances later arose to prevent this construction, but the project is now being pushed to completion by the South Manchuria Railway, on behalf of the Chinese. The new road will parallel the eastern branch of the Russian-Chinese-owned Chinese Eastern Railway and divert to the Chosen port a large amount of North Manchurian produce now carried to Vladivostok. The Seishin-Tsuruga (western port of Japan) sea route is about 400 miles shorter than that from Dairen to Kobe, so that one effect of the construction of the new railway might be to greatly stimulate the development of Japan's west-coast seaports. Opposition to the scheme, also, it is reported, has originated among the commercial interests of Dairen, which claim to see a large economic area faced away from their port by this railroad.

Taonan-Solun Railroad

This is a projected road to extend northwest from Taonan, avoiding the heavier grades of the Khingan Mountains, to Solun, a distance of 225 miles. It is then planned to continue northeast to Hailar, a great depot on the Chinese Eastern Railway for the collection of wool, livestock, and hides and skins from the Mongolian nomads. The total length of the line as now planned is to be 350 miles. It will tap a great expanse of fertile and virgin country and provide a suitable jumping-off line for future railway extensions into outer Mongolia. The project is planned by the Chinese provincial authorities of Manchuria, and is at present in process of resurvey by Peking-Mukden engineers.

Opposition is being encountered to the construction of this railway owing to the fact that it will constitute another drain upon the territory of the Chinese Eastern, analogous to still another line now being surveyed by Peking-Mukden engineers for the Manchurian authorities. This line is also designed to start from Taonan, run via Fuyu (Petuna), at the junction of the Nonni and Sungari Rivers, and thence northward to Station Anta, the market town of the heaviest grainproducing area on the Chinese Eastern Railway.

Tungliaochen-Kailu Railway.

Another project in process of survey, comparatively insignificant as to length but important because it crosses the boundary of Manchuria into the disputed Jehol specially administered district, claimed by both China and Mongolia, is the 50-mile extension northwest from Tungliaochen to Kailu. It might be regarded as the first step in the construction of an interior railway system into Jehol and Chahar. Future developments, furthermore, might establish Kailu as the leading junction point for a line from Dolonor, or perhaps Kalgan, with a north-and-south feeder for Hulutao.

Other Railways Planned.

Several other projected railways, some still in their infancy, are worthy of mention. Among the most important is the line from Agangchi to Tsitsihar. This is the terminal, 22-mile section of the Taonan-Augangchi Railway. Special interest attaches to it because its construction is assured only after the surmounting of difficulties connected with the right to a crossing over the Chinese Eastern Railway's main line at Angangchi. The Chinese Eastern finally yielded to representations of the Peking Government in August, 1927, and agreed to a viaduct crossing. The line is to be built by the South Manchuria Railway and should be completed in 1928.

Construction of a proposed railway from Tsitsihar to Aigun would be a materialization of the Chinchow-Aigun project of years ago. As planned, the line will extend from Tsitsihar to Aigun via Mergen, a distance of 270 miles. Surveys of this route were made first under the American concession rights, and, later, in accordance with the concession terms granted the Russo-Asiatic Bank in 1916. Indications are now that actual construction is about to be started, Japanese capital and direction to do the work for the Chinese.

There remains a number of other projects of more or less interest in the various Russo-Japanese-Chinese schemes of railway development, but they are as yet on paper. Some of them are unlikely to come to actual construction until questions involving other than purely economic considerations have been brought nearer to settlement. Commercial Attache Julean Arnold states, however, that it seems likely that during the next 10 years there will be an additional four or five thousand miles of new railways constructed in Manchuria.

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What China Expects of the United States

BY DOROTHY T. WONG

From the Annals of the American Academy

PRESIDENT WILSON said in 1913 that the American interests in the Far East "are those of the Open Door—a door of friendship and mutual advantage." On the whole this is true, if we can forget for the moment some of the recent developments in China.

Foreign Investment in China

It is, however, to the interest of American manufacturers and producers to have the right of trading on equal terms with foreign competitors in the Far East. American exports to China were $24,628,000 in 1913-14, and $124,436,000 ten years later. It is to the interest of a considerable number of American capitalists to participate in lending money to China, or in financing Chinese railways. There is a powerful popular sympathy with China's struggle for freedom. There is also a strong missionary interest in China.

The policy of internationalized financial imperialism was strengthened after the Chinese Revolution of 1911, when Yuan Shih-Kai sought a reorganization loan of $125,000,000. An agreement signed on June 12, 1912, by the British, French, German, American, Russian, and Japanese bankers, representing syndicates of powerful financial houses in their respective countries, established what has been known as the Six-Power Consortium of 1912. Just when the Consortium seemed well established, President Wilson announced his disapproval of American participation, because the conditions of the reorganization loan seemed to "touch very nearly the administrative independence of China itself." President Wilson felt that the international financial monopoly might lead to objectionable interference with Chinese sovereignty. Thus the Americans dropped out.

China no doubt welcomes foreign investment. In fact, foreign capital is needed there. What we want, however, is native development of our natural resources. Such undertakings may be financed by foreign capitalists, but their management should be left in the hands of well-trained natives. We have thousands of students educated in America and in Europe and these men have gone home finding no place to utilize the training they received abroad.

If we think of the French imperialism in Algeria, Great Britain in India, Japan in Manchuria, and the United States in the Philippines, and everybody in China, we certainly will want to know when some country will have the courage to come out and say: "Let us leave the development of China's natural resources to the natives, because we see they are able to do it themselves."

The Tariff Situation

At the Washington Conference in 1922, China asked for complete tariff autonomy but was told right away it was impossible to get that. She then asked that she might levy at once twelve and one half per cent. She was told that was impossible. She then asked that she might levy seven and one half per cent. Japan said it would be ruinous to herself; that she had a great trade with China and could not agree to an immediate seven and one half per cent.

The final result was that there was a customs treaty entered into, according to which there was to convene in Peking a special customs conference of a very limited sphere. It was to consider with China what means might be taken in order to get rid of the likin tax and other taxes, so that China might ultimately get the twelve and one half per cent; secondly, what interim taxes China might possibly be allowed to levy until the time should come when this likin tax was abolished, and the conditions under which she might levy a surtax of two and one half per cent, raising the five per cent to seven and one half per cent, or, with regard to certain commodities and certain luxuries, she might put the tax up to ten per cent. The conference was to discuss these matters.

However, the calling of that conference was delayed for three and a half years because of the fact that the Washington treaties were not ratified by France until August, 1925. The result of the conference is just this: nothing was accomplished. The tariff situation remains very much the same now as at the time of the Nanking Treaty.

In all progressive countries the power of taxation is vested in the most popular branch of the legislature, but in China this necessary function, so far as import duties are concerned, is vested in the representatives of foreign nations. Since the first tariff law was adopted in the United States in 1816 there have been many radical revisions due to changed conditions. It has been a paramount issue in many of America's presidential campaigns. The Chinese tariff has been practically the same since the treaty of Nanking, made

in 1842. The unanimous consent of the treaty powers must be secured before a tariff can be revised. China is financially impotent with her import tariffs controlled by aliens; likewise the collection thereof and the revenues derived therefrom, on which foreign loans have a first lien, deposited in foreign banks, and the balance released to the Chinese government only on the unanimous consent of the diplomats in Peking. Common justice demands that China should have tariff autonomy.

Though the tariff rate, following the Washington Conference, has been changed to an effective five per cent *ad valorem*, it is clear that the issue of tariff autonomy also involves the possibility of serious misunderstanding between China and the United States. Only prompt and fair negotiations can remove this cause of potential ill feeling.

Relations in the Far East

It is a strange mixture of business and politics—all the international relations in the Far East. In most cases, the primary factor was the desire of a group of capitalists to obtain the diplomatic backing of its own government in order to secure profitable contracts, and to ward off foreign competitors. Thus the "battle of concessions" has terminated in many a war in the Far East. When Japanese imperialism became more pronounced after the Peace Conference, the anti-Japanese sentiment in the United States reached a dangerous pitch. In Canada and Australia, there was strong opposition to the renewal of the Anglo-Japanese alliance. Even in Japan there were liberals bold enough to oppose the aggressive policy of their government. But most serious of all was the fact that the United States was building super-dreadnaughts more rapidly than Japan, with her small financial resources, could hope to do. So the navy-building race went on in dead heat. And out of this situation grew the Washington Disarmament Conference.

If political conditions continue as unfavorable as at present, a drastic world disarmament will be necessary if another world war is to be averted. Part of the pre-war race in armaments was definitely attributable to the intense feeling of suspicion among the powers before the war. Some powers have boldly conditioned the whole disarmament movement upon the prior claims of national security. But what is national security? Security may be either natural or artificial. Fortunately, however, there are other artificial means of securing a nation's safety than by armies and navies. They consist in mutual insurance agreements against war.

Good Will Toward America

America's good name in China was earned during a period when other western countries were seizing her territories and demanding extensive spheres of influence. It was John Hay who, while terminating the movement toward the break-up of China, introduced the principle of the open door and in so doing placed the United States on an equality with other states in the economic development of the country. For two decades the American policy in the Far East contributed greatly to the preservation of American credit with the people of China.

The good will toward America is less evident in China today. The people of China are tending to place America in a common category with the "imperialistic powers." It is not difficult to see why. China's new attitude toward the United States lies in the definite establishment of the policy of cooperation with Great Britain which grew out of the World War. Evidence that this was a well-founded criticism was found in American endorsement of the plan to place a police control under foreign command over China's railways, in American participation in the protection of the Canton customs against seizure by Sun Yat-sen, in the recent threat to take naval action if the Yangtze River were not opened to traffic and if her nationals in China were not protected.

In spite of these changes in the American situation it is probable that the United States has not entirely lost its special position in the confidence and good will of the Chinese people. What was lost at Versailles was gained at Washington. America's willingness to effectuate the tariff treaty and the resolution on extraterritoriality won the friendship of the Chinese people. The sentiment of American missionaries has offset the views of the American chambers of commerce in China.

The American position in the present crisis is not an easy one. There is danger of falling between two stools—interest in the strengthening of China and in retaining her friendship on the one hand, and cooperation with Great Britain and other powers on the other. To fail in the former would be to destroy a tradition and to lose an important advantage in the race for future trade and investment opportunities, while to be isolated would mean to be compelled to meet vigorous opposition of the powers. It will require the most astute diplomacy to keep the powers in good humor, and to show toward China an attitude of sympathy, patience, and non-interference.

"China Could Support Twice As Many People"

Editor's Note—This is a report from the Boston Transcript of the first of a series of lectures by Dr. Stanley K. Hornbeck, delivered under the auspices of the Lowell Institute of Boston. Other lectures of the series will appear in later issues of The Review.

DISPOSING of the popular notion that China with its 444,000,000 human souls is over-populated, Dr. Stanley K. Hornbeck, lecturer on history of the Far East in Harvard University, asserted at the Lowell Institute, last evening, that, according to reliable estimates Greater China could support more than twice its present population and that Manchuria alone could support five times its present burden. In China proper and Manchuria there is an average population density of 215 to the square mile; in China proper, 266 to the square mile. In Belgium, Czechoslovakia, Germany, Great Britain, Holland and Italy, the average density is greater.

Individual provinces vary greatly in the matter of density. They may be compared with more familiar areas. The average density of population in China proper is approximately that of Connecticut. Kiangsu, reported as the most crowded province, has a population density almost double that of Massachusetts. Yet, whereas Massachusetts does not begin to feed itself, Kiangsu is very nearly self-supporting. Yunnan, the least crowded of all the provinces, has about the same population density as Michigan. In eight of the provinces there may be over-population; in thirteen there is room to spare.

Professor Hornbeck, who thus began the second Lowell Institute course of free public lectures of the season, was greeted by an audience that nearly filled Huntington Hall, many of the listeners being students of Harvard and Radcliffe who find his courses fascinating. As an introductory glimpse of this revolution-torn land, the speaker went deeply into its history and geography. Subsequent lectures will trace the Government under the old regime, China's contact with the Occident, her rebellions and reform movements. The final three lectures will deal with China's national awakening, her problems, internal and with the Powers.

Contact Only 400 Years Old

Until four hundred years ago, as Dr. Hornbeck made plain, there was little contact between the Far East and the rest of the world. In the days of Marco Polo a journey from Venice to Peking was like a journey to another planet. Until Portugal opened the sea route to the East, Europe knew really little of the Far East and the Far East less of Europe. But since almost the first years of this contact, the outstanding feature has been the pressure—political, economic and evangelistic—on the part of the West and resistance on the part of the East.

"Only her huge bulk, her extraordinary capacity for passive resistance, and the fact that, as a prize, she has offered a problem of division which the would-be dividers have not been able to solve, have so far saved China," the speaker said.

Drawing a still more intimate picture of the vast territory, Dr. Hornbeck spoke of its civilization as the oldest continuous civilization extant; of the nation as the largest in numbers of all racial groups and as possessing the most fertile lands of the Far East. There was reference to many writers who had made much of the fact that China has often and for long periods been ruled by alien conquerors, Dr. Hornbeck stating that they overlook the fact—or fail to give it due significance—that these conquerors have been of stocks related to the Chinese and have come from contiguous regions. The Chinese themselves were invaders, but whence they came, and how, are still matters of speculation.

As to the remotest history, the Chinese scholars have it, said Dr. Hornbeck, that China was isolated as a political entity by Huangti, the Yellow Emperor who ruled from 2697 to 2597 B. C. Two hundred years later came the Golden Age of Yao and Shun, ideal rulers of great virtue, models for all time. During the period contemporary with that of the Assyrian monarchy Chinese annals emerge from the realm of legend into that of substantial fact.

Her Earliest Civilization

"It is safe to say," continued Dr. Hornbeck, "that twenty-one centuries before the Christian Era, or four thousand years ago, the Chinese were a politically organized nation and had attained a high degree of civilization. They were then as now expert agriculturists. Already they had fixed abodes houses, furniture, pottery, iron and bronze instruments, chopsticks, leather shoes, umbrellas, fans, flatirons, woven fabrics, silk, lacquer, metal money, alcohol, chariots, boats, medicines, a calendar."

In course of time the Chinese extended their political

authority over an area greater than the whole of Europe, and with three great streams of conflict: 1.—The conflict between the Chinese and the aborigines; 2.—The conflict between the Chinese and the Tartars; 3.—The conflict between centrifugal and centripetal forces in the social and political life of the nation. Since the middle of the 18th century, there has been added a fourth, the conflict between fundamental ideas of the Occident and fundamental ideas of the Orient.

In view of the voluminousness of China's official histories detailing the country's twenty-four or twenty-five dynasties spread over 3200 books, Dr. Hornbeck remarked that it could only be hinted at in the present course. But he traced the important periods, beginning with the Asia dynasty in 2205 B. C. and extending through the Chou dynasty, when there appeared China's three great philosophers, Lao Tze, Confucius and Mencius.

China's first great revolution came with Chou's decline, when one of the feudal states, Tsin, brought one after another of the rival Chinese feudal states under its domination. Up to this time China had been made up of literally warring states. Tsin Shi Huangti was one of the world's greatest founders. He gave China unity and an imperial government founded on the principle of centralized and autocratic authority which remained the bond of empire for more than 2000 years, until the great revolution of 1911.

The Tsin was the shortest lived of the dynasties, being succeeded by the Han dynasty, which endured for four centuries (206 B. C., to 221 A. D.). In the Han period Buddhism was brought into China from India, almost at the moment when the first Christian missionaries were beginning the propagation of their faith in Asia Minor and the Mediterranean.

Brilliant Period of the Hans

It was during the Han period that brilliant achievements were made in literature, in legislation and in arms. To that period is attributed the discovery of the art of making paper, but probably the greatest single contribution for the Hans was the development of the system of competitive State examinations, a system which endured until 1905, upon the principles of which, it is said, the British civil service examinations have been in part modelled. When the Emperor Wu died, in 75 B. C., China occupied such a place as Rome was about to gain in the Occident. Then came civil wars and invasions, in the course of which the country was several times divided. At the end of the sixth century the country was reunited (589). With the Tang dynasty (618-905 A. D.) Chinese art rose to probably its greatest heights.

There follows a century of rebellions, secessions and civil wars and at the end China had disintegrated into a great number of principalities, only to be reunited in 960 by the Sungs. The activities of the Northern barbarians made the strengthening of the national defense an outstanding problem of statesmanship, but there developed a great literature. The great wall stands between two stages of civilization. North of it lie vast plains occupied only by tribes of wandering nomads; south of it spread cultivated fields and gardens.

Dr. Hornbeck had much to say of the Mongols and their four great leaders; of Kublai Khan, under whom China embarked upon a new era of imperialism; the Mings, (1368-1644 A. D.) under whom art and letters, porcelain and bronzes, and the production of a great encyclopædia in 22,877 volumes appeared; of the Ching dynasty (1644-1911), in which the Manchus proceeded to rule the whole of China. In the reign of Chienfung (1736-1795) a contemporary of George III. of England and George Washington of America, modern China reached the zenith of its power. Before the end of the reign decay had set in.

War with the British

"In 1840 came the test of war with the British," Dr. Hornbeck recounted. "China, defeated, was compelled to open ports to trade and to treat with foreign officials on a basis, in form, of equality. During the next thirty years three great rebellions challenged the authority of the Manchus."

The attempt of the Emperor Kwangshi to inaugurate reforms led only to a triumph for the reactionary party at the court. There followed the Boxer movement (1900), and at last, attempts at reform by the great Empress Dowager. But too late. There was rebellion; the Manchus were induced to abdicate and then from rebellion China entered upon revolution—'the greatest revolution the Chinese have ever known and probably the most comprehensive that the world has ever witnessed."

Dr. Hornbeck pictured the vastness of Chinese territory, stretching through 60 degrees of longitude, 4200 miles east west, and from the latitude of Winnipeg to that of Mexico City, 35 degrees, 2700 miles north-south, with an area about equal to that of United States and Mexico combined and larger than that of all of Europe.

There was much to say of climate, soil, food, differences of living and of peoples north and south, of transportation, habits, temperaments, diet, and of the fact that the Chinese recognize the existence within their boundaries of five popular elements.

Population of One Stock

"Nevertheless," said the speaker, "the population is fundamentally of one stock: it is nearly all of Mongolian origin and most of it is of the 'Han' or Chinese race. Through the bulk of this population there runs a community of common cultural traits sufficient to justify the assertion that the mass is essentially homogeneous.

"China has, however, a problem of nationalities. There is resident there one completely alien element, the 'foreigners.' Few in numbers—only some 400,000 persons—the foreigners are, by virtue of the extraterritoriality clauses in the treaties, by virtue of their comparative individual and collective forcefulness and by virtue of the diplomatic and military strength of the Powers whose citizens they are, an irritating and perhaps indigestible element. Some of the most perplexing of the problems which China faces today have arisen from the impact and presence of this comparatively small but incomparably strong population ingredient.

Britain's Decreasing Piece Goods Trade in China

(*From the Manchester Guardian, Jan. 13*)

The annual report of the China and Far East section of the Manchester Chamber of Commerce records that the experts of piece goods to China were 717,000,000 linear yards in 1913, 293,000,000 square yards in 1924, but had dwindled to 94,900,000 square yards in the first eleven months of 1927. Yarn exports totalling 2,146,400lb. and valued at £109,956 in 1913 had dropped to 1,195,800lb. with a value of £187,238 in 1927. For 1926 the figures were 1,727,000lb. and £230,114 respectively.

Anxieties in regard to the Chinese position had not been lessened by the events of the past year, as a state of civil war had existed all the time. As far as cotton goods were concerned Great Britain had not obtained a proportionate share even of the reduced volume of business. Japanese exporters and the local Chinese mills had increased the severity of their competition.

During the latter part of the year the Chamber had the opportunity of welcoming Mr. H. H. Fox, British Commercial Counsellor at Peking, who dealt with the important question of treaty revision and also referred to the Chinese trade marks law which, he thought, was working satisfactorily. Many firms had secured protection for their registered marks. The effective value of this protection would be greater when stability was restored, but recognition had been shown to be the right policy.

The main problem outside of Chinese politics that the executive of the Section had to consider was the ever-increasing competition from other countries. In spite of all China's internal troubles she was undoubtedly doing a very large import trade of which Britain was not obtaining anything like her share. That difficulty was Lancashire's whole problem. A specially strong committee to study this specific question, comprising spinners, manufacturers, and merchants, had come into being during the year, and it was hoped by some form of combined effort to stem the tide flowing against them.

The officers of the Section were re-elected as follow:—Chairman, Mr. W. M. Reekie; vice chairman, Sir K. D. Stewart; honorary secretary, Mr. F. A. Lauder.

China Sending Large Delegation to Jerusalem Christian Meeting

Christian organizations in China are sending a delegation of twenty Chinese and foreigners to the International religious conference which is to be held in Jerusalem from March 26 to April 8 of this year. According to the *Chinese Recorder* for February, the following Chinese and foreign delegates will attend: T. C. Bau, Secretary East China Baptist Convention; T. C. Chao (Methodist.) Yenching University, Peking; C. Y. Cheng, General Secretary, National Christian Council of China; Mrs. C. C. Chen (Baptist,) Bridgman Girls' School, Shanghai; Marcus Cheng (Lutheran,) sometime Secretary of North-West Christian Council; Donald Fay (Baptist,) West China University; W. H. Gow (Presbyterian,) Moukden Medical College; Z. T. Kaung (Methodist,) Allen Memorial Church, Shanghai; T. L. Li (Methodist,) Shantung Christian University; T. S. Tom, Secretary Canton Divisional Council Church of Christ, Miss P. S. Tseng (Anglican,) Girls' School, Changsha; Francis Wei (Anglican,) Central China University; David Yui (Anglican') General Secretary, Y.M.C.A.; R. Y. Lo (Methodist,) editor, Shanghai; J. A. O. Gotteberg (Lutheran,) Director Norwegian Missionary Society; Miss C. J. Lambert (Anglican,) Girls' School, Foochow; E. C. Lobenstine (Presbyterian,) Secretary National Christian Council of China; E. W. Wallace (United Church of Canada), Secretary, China Christian Educational Association; D. W. Lyon, Secretary Y.M.C.A.; F. W. S. O'Neill, Irish Presbyterian Mission, Manchuria.

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Shanghai Moral Conditions and the British Troops

(*Manchester Guardian, Jan. 24*)

Correspondence has passed between Mr. Wilfrid Wellock the Labour M. P. for Stourbridge, and Mr. Godfrey Locker-Lampson, Under Secretary for Foreign Affairs, regarding houses of ill-repute in Shanghai. Following questions asked in the House of Commons in June last, Mr. Wellock wrote to the Under Secretary on October 21 and referred to the fact that the "China Courier" (a newspaper published in Shanghai in English) contained in its issues of June paragraphs and correspondence describing and protesting against certain alleged brothels, which were indicated by a red light, and in which were Chinese girls of fifteen years of age.

From an article in the "Lancet" of June 18, 1927, on "Shanghai and the Defence Force," contributed by the "Lancet's" own correspondent, he quoted: "Since the arrival of the British troops there have been many cases of influenza and pneumonia, but the question of venereal diseases has been the most clamant one, and in spite of every possible precaution the number of those affected has steadily increased. The majority of the brothels are in the French concession and in Chinese districts bordering on municipal roads."

"It will be noticed," added Mr. Wellock "that the writer in the Lancet" refers only to the majority; there are others besides those he mentions." Mr. Wellock concluded:—

"I am sure you will be convinced that the situation is serious and that there is sufficient cause for an inquiry into the whole matter. In the meantime I shall be glad if you will move the British naval, military, and Air authorities to take such action as may be necessary to ensure the observance by the troops for whom they are respectively responsible, of the order of the Shanghai Municipal Council of December 31, 1924, regarding prostitution within the International Settlement at Shanghai, and, further, if you will cause his Majesty's Consul General at Shanghai to be instructed to take such action as may seem to him possible with the Shanghai Municipal Council with a view to securing the immediate closing of the houses which have been complained of."

Mr. Locker-Lampson's Reply

Mr. Locker-Lampson's reply, dated January 2, states:—

"I have deferred replying to your letter of October 21 pending the receipt of a full report from his Majesty's Consul General in Shanghai. This report has now been received. In my reply to Mr. Pethick Lawrence on June 20-in the House of Commons—I said that so far as our Consul General at Shanghai and the Shanghai municipal police were able to ascertain there was no truth in the report that the Chinese were complaining that girls of fifteen years of ago were being introduced into *maisons tolerees* for the soldiers in the international area at Shanghai.

"The Consul's report shows that no complaints of this sort were made by the Chinese to the municipal police or to him until June 30, when the Commissioner for Foreign Affairs wrote to the Senior Consul on the subject. This letter stated that the age of the girls was between seventeen and twenty.

A Matter for the War Office

"As regards the other points raised in your letter, I have not seen the reports in the "China Courier" to which you refer but from the very close relations existing between that paper and the Soviet authorities in China I should be inclined to anticipate inaccuracy and a general anti-British bias. Your quotations from the 'Lancet' relate to the health of the British troops in Shanghai—a question that is more within the competency of the War Office.

"As regards the brothels mentioned by Mr. Carleton-Lacy (a missionary), our Consul General states that these were formerly licensed in the French settlement, and that they moved into the International Settlement when the former area was placed out of bounds for troops. He also reports that they have now been closed down by the police of the International Settlement. Regarding the more general complaint against the alarming number of amusement places of a questionable nature, one must not forget Shanghai is a cosmopolitan seaport. The best way of dealing with the evil is co-operation between the municipal authorities of the different areas concerned. I have every reason to believe that the authorities of the International Settlement, where the standard of administration is high, are fully alive to the importance of this aspect of the question.

"You urge at the end of your letter that our troops should observe the order of the Shanghai Municipal Council of December 31, 1924, but I think you have misunderstood the second part of my reply to Mr. Pethick Lawrence on June 20. The action taken by the Municipal Council was to put an end to the system under which control was exercised over brothels in the International Settlement by means of the issue of licences."

Business Conditions at Chefoo

Hairnets.

Orders continue to be received from the United States, sales having been made by Chefoo manufacturers as follows:—

10/38 double hair cap shape size 27/28" @ 70 cents gold per gross
" single " " " " " " " " " " " "
" double white " " " 32/33" " $2.25 " " " "
" Grey Nets " $1.30 " " "

A good deal of telegraphing is being done back and forth these days and indications are that this year's trade in hairnets will surpass that for last year. Firms in Czecho-Slovakia have been attempting to ship treated and untreated hair to Shantung for the making of hairnets but prices quoted are too high. Other lines have also been offered from Czecho-Slovakia but the only thing that country has sold successfully so far to Shantung is firearms and, of course, legitimate traders are a bit wary of handling that!

Hog Casings.

Since the recent discovery and adoption by the U. S. Department of Agriculture of a disinfecting process which does not render the product unfit for use as sausage casings, the American authorities have modified their regulations to permit of Hog Casings entering the United States again. The following is quoted from a recent notification of the said department as passed on to Chefoo merchants who deal in Hog Casings::

"Briefly, this disinfection, which is performed under official supervision after arrival of the products of immersion for a short period in a one per cent hydrochloric acid solution and subsequent neutralization in a solution of bicarbonate of soda. Uncertified casings are now being, and since December 1 have been, admitted to entry after such disinfection. As the cost of this treatment is negligible the importers do not object to it, and they have made arrangements to handle the products with convenience and dispatch.

"It will be seen, then, that failure or inability of any government to provide for the certificate specified in B. A. I. Order 305 will not place that country's casings at a disadvantage with those from other countries, but the Department of Agriculture naturally does not desire to have products disinfected when this procedure can be eliminated and therefore hopes that the appropriate authorities will make an especial effort to issue these certificates for all casings which have been derived and handled in the manner specified."

Since the lifting of the ban, inquiries have been coming in from the Pacific Coast and recently some quantities have exchanged hands at the following prices and for the following sizes:—

26/28 m/m @ 33 cents gold per bundle of 13½ yds.
28/30 m/m @ 29 cents gold per bundle of 13½ yds.
30/32 m/m @ 21 cents gold per bundle of 13½ yds.
32/34 m/m @ 18 cents gold per bundle of 13½ yds.

In view of the former ban, importers in America purchased large consignments with the result that stocks are still visible in that country but it is expected that within two months there will be a firm demand from American importers. European importers, taking advantage of the previous ban imposed by the American authorities, have been holding aloof, in an effort to "jew down" Chefoo suppliers, and now they are undoubtedly regretting their stand, for with resumed business with the United States, prices are going up and orders from Europe can now only be filled at prices much higher than those ruling during the past two months.

Conditions Generally. Money continues to be very scarce, and conditions in the interior are far from reassuring. In the border districts some 4,000,000 people are affected directly and indirectly by a famine as a result of the poor crops last year. Traders have to be very cautious these days and any show of affluence would attract the attention of the authorities who are ever out for money. There is talk of new forms of taxation following Chang Chung-chang's failure to get financial assistance from Peking. The import business is virtually nil, the country people having no surplus money with which to buy anything.

Chefoo, February 10. J. J.

John Van Antwerp MacMurray Coming to Shanghai Soon

John Van Antwerp MacMurray, American Minister at Peking, is coming to Shanghai shortly according to telegrams received at the American Consulate-General. While there has been no official statement of the purpose of Mr. MacMurray's visit to Shanghai it is reported that he intends to interview officials of the Nationalist Government. It will be Mr. MacMurray's first visit to Shanghai since the Nationalist Government came into power in this area. The American Chamber of Commerce has announced a dinner in Mr. MacMurray's honor on the evening of Monday, February 27 at the American Club.

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"We Have Had a Raid!"

BY BRUNO SCHWARTZ

WELL, Mr. Powell and friends down there in Shanghai and all the other countries this here *China Weekly Review* goes to. Well, folks, I guess I owe you some apologies because its a long time since I wrote and told you whats happening up here in Hankow, which I havent done since I didnt go to Hanyang because it was too wet.

I am writing in a hurry now, so please excuse mistakes in spelling because this may be the last time I can write to you all from Hankow. No, I am not going away, but they are going to change the name of Hankow from Wuhan to "Button." At least, I hear that a meeting is going to be called because, you remember when you were so little you used to play right out in public dressed in nothing except your underdrawers (which is not a obscene word and everybody wears them even if they do blush and say "Hush, there is some things you dont have to talk about in public, for goodness sake").

Well, they are thinking of changing Hankow to "Button" because when you used to be a little kid like that they played "Button, Button, Who's Got the Button," and every time somebody else had it. Thats the way Hankow is. Every time you go to sleep at night you find out somebody else has it in the morning. In the last six months we have got acquainted with all the generals in the whole army, but they didnt stay long enough to get to be friends because there was always another one stepping on their heels to chase the last one out.

The general that is in charge here now, Mr. Pei Chung-hsi, is a fine fellow, and has had lots of experience in the execution business in Shanghai before he came up here. He didnt have to apply for the job of boss here because when General Hu Tsung-tu, Esq., saw his new fangled machine rifles, old Hu (who was who here) just welcomed him with all his arms wide open and says, "Youre a better man than I am, Gunga Pei". So Hu went Westward Ho and now we have Mr. Pei here, who is a fine fellow.

Hu is the guy who pulled off the anti Bolshevik raid here, and when he found them with the goods, he gave them plenty. But Mr. Pei doesnt waste time holding trials and all that kind of funny business. If a man isnt guilty, what does he go and get hisself arrested for? So the guys that get arrested get a haircut now that doesnt cost them anything and lands them up at the pearly gates in one smack.

Yes sir, this Mr. Pei is one humdinger of a headchopper, but when that bird gets his when his time comes, I wouldnt want to be in his boots for all the birds nest soup in the world. He is a fine fellow, all right—for them as likes him. Personally, I mean to say as far as I am concerned, I can take him or leave him alone. And as far as I am concerned if he is a brunette I prefer blondes too. Hes a little too quick on the axe handle to suit my taste.

We had a anti Bolshevik raid up here in Hankow too, and it was a Jim-dandy. Everybody was tooken to G. H. Q. where some was executed and some was let go till the next time. They must have run out of bullets, I guess. It was lots of fun. I was in the hospital when they made the raid, but the boys didnt pass us up which was very thoughtful. About forty of them bust in the doors and acted just like they was at home. One of them paid me a visit, and folks, I hope to tell you he was like a Christmas Present—the kind you want to send back to the store.

The doctors had sliced about two hundred dollars worth out of me the day before, and I wasnt expecting company. In fact, there was a sign hanging alongside my name on the register in the hall which said "No Visitors Allowed". But did that keep Messrs. Hu, Pei & Company out of there? Not by a jug full.

Forty of these here alleged soldiers, entirely unarmed except for rifles, pistols, knives and bayonets, bust into our happy home at eight oclock in the morning. One of these nice boys busts open my door with a crash and hops into my room and sticks a pistol into my face. He was looking for Russian Bolsheviks. "What nationality?" he asks. "American", I says, thinking that this roughneck was gonna cheat the doctor out of his bill and open an account for me with the undertaker, and with me hoping that Mr. Coolidge hadnt declared war on General Hu the night before.

But my comeback must have been the right one because he just gives a belch or a grunt, and begins searching for Russian Bolsheviks under my pillow. Then my visitor hauls out all the drawers of my bureau and after shroffing over what I had in them throws them all out on the floor. He was looking in the bureau drawers for Russian Bolsheviks, but not having any cash around, he got disgusted and mad and threw everything in the room on the floor except me.

In the next room there was a French navy officer and his visitors stole four dollars from him and he quit the hospital and went back to his ship where he said he could invite his own guests and not so early in the morning. They cornered him in the bath room and the nurse was afraid they was going to make him take a bath, but they didnt and only took his money.

One of the Franciscan Sisters who are the nurses in the chapel sayin her prayers so they grabbed her and tied her up and began to take her out because she was a Russian Bolshevik but they let her go because after they looked around they didnt find any money in the chapel. But the amahs and boys and coolies in the hospital had to cough up everything they had so that if they was not Bolsheviks before by golly they will be now.

But outside there was lots of fun too, because the soldiers arrested pretty nearly everybody they saw in the streets and made the foreign women and children walk out of the houses in their night clothes across broken glass in bare feet from the windows in the houses which the soldiers had busted out. It was just grand and the soldiers had a fine time.

Well, folks, please excuse me until the next time because I have to smoke my thermometer and should not "Undergo prolonged exertion" as the doctor says, whatever that means.

But I will let you know right away if they change the name of Hankow from Wuhan to Button.

Hankow, Feb. 15, 1928.

Bombs Thrown at C. C. Wu Party in Singapore

Two attempts were made to assassinate members of the Chinese Diplomatic Commission composed of Dr. C. C. Wu, Sun Fo, and Hu Han-ming as they were leaving the Chinese Chamber of Commerce at Singapore on February 8. According to a *Reuters* report the party had been entertained at the Chinese Chamber of Commerce where Wu, Sun Fo and Hu Han-ming had delivered addresses urging support of the Kuomintang and as they were leaving the building, two bombs were thrown and a shot fired. The bombs and shot were apparently aimed at Dr. Wu, but the only member of the party injured was Dr. Lim Boon-keng a well known Chinese who has been president of the University of Amoy. Dr. Lim was slightly wounded in the chest. The assailant was a Chinese who is reported to have confessed. The reason for the attack is not known but is supposed to have had some connection with the China political situation.

The Chinese Diplomatic Commission is traveling from Shanghai to Colombo on board the Dollar round-the-world steamer, President Wilson. From Colombo the party will travel overland through India to Palestine and Turkey and then through Europe and to the United States. The following account of a reception given by the Chinese community in Manila to the Chinese Commission appeared in the *Manila Bulletin* on February 1:—

Expressing the hope that the United States will be the first nation to initiate steps towards the cancellation of the so-called unequal treaties between China and the foreign powers, Dr. C. C. Wu, son of the late Dr. Wu Ting-fang and ex-Minister of Affairs of Nanking, delivered an illuminating address at the reception given by the local Chniese community in honor of the distinguished Chinese diplomats who are visiting Manila on their way to Europe and America, at the Oriental Club last night. Dr. Wu spoke in English on the negotiation of new treaties for the Nanking nationalist government.

While disclaiming any authority to negotiate treaties with the governments of the foreign countries his party will visit on their tour, Dr. Wu declared that if the foreign countries started negotiations with a view to making new treaties, the members of his party would greatly appreciate such treatment.

With the spacious hall of the Oriental Club almost full to capacity, the banquet tendered by the Chinese community in honor of the three distinguished visitors, was considered the greatest one in the history of local Chinese social gatherings. Henry Uy Cho Yee, President of the Chinese chamber of commerce, presided and after making a brief address of welcome, introduced as the first speaker of the gathering, the Honorable Hu Han Min, ex-chairman of the Central Executive Committee of the Nanking nationalist government, a noted scholar and revolutionist writer who worked side by side with Dr. Sun Yat Sen during the revolutionary days when the Manchu dynasty was overthrown, and who is considered as one of the most active and oldest members of the Kuomingtang. Mr. Hu expressed his satisfaction over the progress made by the members of the Kuomingtang party in Manila. He dwelt on the subject of the Kuomingtangs' ideals in their present fight to maintain the three peoples' principles of the late Dr. Sun Yat Sen. He asserted that the Chinese people were not equally treated by their northern brothers, but by foreigners, especially in economic, political and national affairs. He finally expressed the hope that the Kuomingtangs in Manila will prosper, and the whole Chinese community as well as the Filipinos, Americans and other nationalities will cooperate for the advancement of mankind. Mr. Hu spoke in Chinese Mandarin.

The last speaker of the evening was Mr. Sun Fo, ex-Minister of Finance and son of the late Dr. Sun Yat Sen. Mr. Sun also spoke in English. He denied the reports that there

were differences between the governments of Canton and Nanking. He said that Nanking and Canton had the same government based upon the principles of the Nationalist party—the Kuomingtang—and will fight side by side for the same cause. He affirmed that there are at present two distinct governments in China—one in Peking, controlled by the corrupt Northern militarists and the other in Nanking. The Nanking government is the one which represents the Kuomingtang party and who has always been fighting the Northern militarists in North from the tyrannical yoke of Chang Tso-lin. The Peking government, he further asserted, controls only two provinces out of the eighteen which compose China proper and its sovereignty does not pass beyond the Great Wall; while the Nanking government controls sixteen provinces out of the eighteen. The contention that the Natlionalist armies are under the control of only one man is not true, he said, as they are all under the Nationalist party. Of course, the supervision of these armies lies in the hands of one of the greatest Nationalist leaders, Generalissimo Chiang Kai-shek, an active and loyal member of the Kuomingtang. He further made a strong denial of the reports that the Kuomingtang is a Bolshevik or Communist Party. "Like other organizations of all nations, they have also several Communist members in their ranks, but I assure you that the Nationalist Party is not a Bolshevik or a Communist organization," he said.

An Appreciation of the Work of the Late Dr. J. T. Proctor

Dr. Proctor came to China in 1897, one year after the organization of the A.B.F.M.S. Mission of which he was a member and just as the period of individualism in missions was ending and the period of organized mission work beginning. His first nine years were spent in Huchow where he itinerated widely, preaching and establishing churches. The immediate task, however, never blinded his eyes to the larger work of the missionary,

From the first Dr. Proctor threw his rare powers of keen analysis and careful organization into the work of the mission. He early saw that the mission must have a definite policy for the development of its field, or give that field over to others. Study of policies for the mission very soon led him into the enterprise to which he gave five years of active service from 1908 to 1913, the building of Shanghai College. As superintendent of buildings and first president of the college he laid the foundations for the splendid institution which has since been developed.

In 1914 Dr. Proctor left the college to enter upon his work as secretary of the East China Baptist Mission, coming to the position at a time when the work of a secretary was little understood. He was strongly opposed during the first years of this service as secretary. However with rare tact and patience he built up the office and with it the mission. With farsighted wisdom he committed himself whole heartedly to devolution at a time when great timidity characterized the mission body in this matter. The Chekiang-Shanghai Baptist Convention and District Associations in Ningpo, Hangchow, Shaohing and Kinhwa were organized. The first Chinese secretary of the convention was called and funds amounting to $25,000 turned over to the convention executive committee for evangelistic and day school work in its field. When Dr. Proctor began his work in East China there were fifteen churches and 524 Christians; when he died there were forty churches and 2989 members.

Although giving himself without reserve to the work of his own mission Dr. Proctor was a pioneer in many other organizations. The Mokanshan Summer Resort Association, The Community Church, Shanghai, Shanghai American School, North Shanghai Baptist Church, Tinghai Public School and the National Christian Council—all claimed his strength and held his interest to the last.

In whatever group he worked his earnestness, knowledge of men, clear grasp of situations, and masterful presentation of facts at once made him a leader.

Few realized that behind his forceful personality there was the heart of a mystic and the tenderness of a woman. In his home life these qualities came out in all their beauty.

In the office his passion was work, for him there was, "life alone in duty done, and rest alone in striving"

If he had a single fear it was that of mental deterioration. From this he was mercifully spared. He worked to the last despite the warning of a severe illness three weeks earlier. After a busy morning he left his office for lunch on December 8, 1927, and as he walked along the familiar street, to meet an appointment with an associate he met another engagement in which we may well believe he has found even larger scope for those powers of heart and mind which he had exercised so long and well here.

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The Fourth Plenary Session of the Kuomintang

BY J. B. P.

It is doubtful whether the twenty-nine members of the Central Executive Committee of the Kuomintang Party, who attended the Fourth Plenary Session in Nanking from Feb. 3 to 8, know as yet whether the meeting can be classed as a successful mile-stone in the history of the Party. Only time will demonstrate whether the meeting was successful in solving the major problems which have developed in the past year and a half, a period of tremendous political disorganization in China and a period of strife within the ranks of the Kuomintang itself. Looking at the situation from the present the important element in the situation is that the meeting was actually held at the seat of the Nationalist Government at Nanking. The delegates assembled and so far as the outside world is aware the sessions were reasonably harmonious and there was no military interference, the latter being a matter of considerable gratification for Gen. Chiang Kai-shek who gave his word to the delegates at the Preliminary Conference in Shanghai that the delegates would be protected during the meeting.

Tan Yen-kai, Prominent Member of Central Executive Committee Who Took Active Part in Fourth Plenary Session of Kuomintang at Nanking.

Those Who Attended

Those who attended the meeting and the new members elected to fill vacancies were as follows:

Tsai Yua-pei, Li Shih-tseng, Kuo Chung-tao, Zau Li-tze, Chen Ku-fu, Chang Ching-kiang, Pan Yuen-tsao and Li Chung-jen of the Central Supervisory Committee, and Messrs. Chu Pei-teh, Chu Tsi-ching, Tan Yen-kai, Bei Wen-wei, Chu Ming-yi, Miao Bin, Chiang Kai-shek, Li Lieh-chun, Ching Heng-yi, Pei Yuen-ti, Chen Shu-jen, Chen Shao-ying, Wang Loh-ping, Ho Hsiang-ning, Ho Ying-ching, Yu Yueh-jen, Ting Chiu-fang, Wang Fa-chun, Huang Shih, Ting Chao-wu, and T. V. Soong of the Central Executive Committee. The meeting was presided over by Chairman Yu Yueh-jen.

At the second day's session on Feb. 4 it was decided that "inasmuch as 24 members and candidates of the Central Executive Committee and Supervisory Committees have either been expelled for being Communists, suspended for being in allegiance with the rebels, or are deceased, the following eleven candidates were appointed to the Committee, Pei Yung-ti, Chow Chi-kong, Wang Shih, Wang Loh-ping, Chen Chia-yu, Chu Chi-chin, Ting Chao-wu, Ho Yin-ching, Chu Min-yi, Chen Shu-jen, and Huang Shao-hsiung.

Aside from the avowed Communists and more radical members of the Cantonese faction, the notable absentees were members of the so-called Kwangsi faction in the Kuomintang and it is chiefly from this group that danger exists in respect to the future unity in the party. The most notable military leaders who are opposed to the present Nanking group are Li Chi-sum at Canton and Bei Tsung-chi and Cheng Chien at Hankow. Civilian leaders affiliated with the Kwangsi faction who were not present were C. C. Wu, former Minister of Foreign Affairs; Sun Fo, former Minister of Finance and Hu Han-ming, member of the Central Executive Committee and also for a time Foreign Minister at Canton. These three members of the Central Executive Committee were the first to join Gen. Chiang Kai-shek when the Nanking Government was set up in the spring of 1927, but they retired from office when Gen. Bei Tsung-chi of the Kwangsi faction retired from the Shanghai area and transferred his troops to Hankow.

Of the more radical members of the so-called Canton faction, the most notable absentees were Dr. Wang Ching-wei, former chairman of the Committee and Kan Nai-kwan, former Mayor of Canton. These men were charged with responsibility for the coup-d'etat in Canton against Gen. Chang Fa-kwei which led to the Communist uprising on December 11 and although exonerated by Gen. Chiang Kai-shek it was considered advisable that they absent themselves from the Fourth Plenary Session, which they did, Dr. Wang Ching-wei going to France and Kan Nai-kwan going into hiding, supposedly in Shanghai or Canton. Other radical members who have been classed as Communists such as Mrs. Sun Yat-sen and Eugene Chen are still in Moscow. But despite these absentees there was a legal quorum in Nanking and the meeting was held, despite the fact that certain enemies of the Nanking group claim that those attending were not representative of the Party and that the meeting was merely a "face-saving" gesture to show to the outside world that the Kuomintang is still functioning. Another interesting element in the meeting was the presence by invitation of representative of Feng Yu-hsiang, controller of Honan, Shensi and Kansu provinces, and Gen. Yen Hsi-shan tupan of Shansi province, both of whom are now members of the Kuomintang Party and an important element in the so-called Nationalist Movement.

Manifesto Announcing Results

On February 9 the Nationalist Government announced through the *Kuo Wen* news agency the following itemized results of the Fourth Plenary Session of the Central Executive Committee of the Kuomintang:

"The Nationalist Revolution of China having already entered the period of political and economic reconstruction, will hereafter devote itself to the strengthening of its foundation by carefully carrying out the instructions of its late leader and exerting to the utmost of its ability in completing various programs of reconstruction. Shouldering, as it is, such a heavy responsibility, this Plenary Session hereby resolutely addresses itself to the sacred duty of directing and guiding all Kuomintang comrades and the Chinese people to the realization of the Three People's Principles and announces the following policies to the nation:

"1. *Internal Reconstruction.* All measures of reconstruction shall be based upon the late leader's "Principles of National Reconstruction. Our first duty should be the determination of the principles of government by law; for, if our political principles be not legal and our political organizations be not extensively and, at the same time, minutely regulated, all means of livelihood will receive no protection. To this duty, our Party must henceforth devote its entire energy. Secondly, it should also be our duty to build a strong and effective administration, as was aimed at by the late leader. Our policy should be to create an efficient administration to relieve the people of their sufferings and to build up a clean government, paying special attention to the improvement of our administrative regulations.

"2. *Education.* The welfare of the people hinges upon educational reforms. Our young people today have gone astray and fallen victims to many fallacies without realizing the fact. Those realizing it, do not know how to save themselves. Moreover, in the face of countless insidious designs, they have divided among themselves according to their different political affiliations. Yet in schools, they have become objects of political machinations. The most deplorable fact is the participation by immature students today in our political and social strifes. To permit these young boys and girls, not yet attained maturity, and without sufficient knowledge and experience, to participate freely in the affairs of the nation is not only to sacrifice the life of our race in the future, but also to allow them to treat the entire nation and human society as playthings. To remedy this situation, we should protect the independence of education, filling it with truth. We should guard against contamination of our youths popularize education of the people, and increase their knowledge.

"3 *Economic Reconstruction.* Improvement of the economic life of the people is one of the aims of the Nationalist Revolution. The Kuomintang, in calling upon the people to help themselves and arousing their enthusiasm, aims at the preservation of the race and not the discovery of means of self-destruction. The Party aims at the promotion and development of our national industries and not the destruction of our people's various means of livelihood. Henceforth, the Kuomintang should concentrate upon the development of all agricultural and industrial enterprises.

"4. *Foreign Policy.* The fundamental aim of the Nationalist Revolution is racial equality and national independence, abrogation of all unequal treaties being the one and only method of realizing this aim.

"5. *The Northern Expedition.* While the aim of the Kuomintang Revolution does not end with military success, the beginning of the work of unifying China depends upon the

early completion of the military stage. Therefore, redouble efforts to hasten the completion of the Northern Expedition are tasks which do not permit of further delay. The Kuomintang today is controlling more than four-fifths of the Chinese territory, and the hearts of the people are already imbued with the principles of the Party. At this moment of the accelerated progress of the Northern Expedition, we must strive hard to train our people, according to the plans outlined in the late leader's "Principles of National Reconstruction", and acquaint them with the correlations among various political affairs, so that the late leader's proposal for a National People's Convention can be carried out within the shortest time.

"6. *Party Affairs.* The interest of the Chinese people, as represented by the Kuomintang, is the survival and expansion of the freedom and equality of the Chinese people. The Party does not, in the least, advocate the welfare of a party or a class. Henceforth, we must entirely forget our past quarrels. Among both our old and new members, there must not be any spirit of partisanship or mutual antagonism. We must never follow the disturbing actions of the Communist party, and take advantage of the organization and the position of the Kuomintang, utilizing this people's organization to carry on any unlawful agitation to the destruction of the Party's political administration as well as the life and freedom of the people.

The above stated policies are considered important and necessary as a result of the bitter experience of the Party and the demands of the Revolution. They are to be recognized as the guiding principles upon which we shall base our work of national salvation and through which the Party's principles can be realized."

Reorganization of the Government

The reorganization of the various committees of the Nationalist Government, which was decided upon the Fourth Plenary Session of the Central Executive Committee was as follows:

Government Council to consist of 49 members as follows: Yu Yueh-jen, Ting Wei-fen, Wang Fa-chun, Wang Peh-chun, Wang Chung-hui, Pei Yung-ti, Ho Hsiang-ning, Chu Chi-ching, Koo Ying-fan, Pei Chung-hsi, Tien Tung, Wu Chao-chu, Chu Pei-teh, Li Chung-jen, Li Chi-sen, Li Lieh-chun, Wang Ching-wei, H. H. Kung, Ho Ying-ching, T. V. Soong, Soong Yuan-yuan, Lin Sen, Chow Chen-lin, Bei Wen-wei, Hu Han-min, Chen Tiao-yuan, Sun Fo. Chang Chi-kiang, Chang chung-kiang, Chang Chi, Huang Shao-hsiung, Huang Fu, Hsu Hsiung-chi, Niu Yung-chin, Chen Chien, Feng Yu-hsiang, Yen Shih-shan, Yang Shu-chuang, Ching Heng-yi, Hsiung Kei-wu, Teng Che-ju, Tsai Yuan-pei, Fan Chung-hsiu, Liu Shou-chung, Chiang Kai-shek, Chiang Tso-pin, Tai Chuan-yen, Tan Yen-kai, and Chao Tai-wen.

Members of the Standing Committee of the Government Council are: Tan Yen-kai, Li Lieh-chun, Tsai Yuan-pei, Chang Ching-kiang and Yu Yueh-jen, with Tan Yen-kai as Chairman.

The following 73 members shall constitute the Military Council: Yu Yueh-jen, Fong Chen-wu, Fong Sheng-tao, Wang Chun, Shih Ching-yang, Pei Chung-hsi, Tien Chung-yao, Chu Pei-teh, Soong Che-yuan, Li Lieh-chun, Li Chung-jen, Li Chi-sen, Li Ming-chung, Li Fu-lin, Li Ching-hsi, Ho Ying-ching, Ho Sheng-jui, Chu Shao-liang, Wang Ching-wei, Chow Hsi-shang, Yao Wei-chun. Chin Han-ting, Hu Han-min, Chang Chun, Hu Chung-to, Bei Wen-wei, Sun Fo, Sun Liang-sheng, Sun Yao, Chen Cho, Chen Chi-liang, Chen Ke-yu, Chen Hsun-yung, Chen Tiao-yuan, Chen Chia-yu, Chen Shao-kuan Chen Ming-shu, Hsia Wei, Tsao Wen-shun, Chang Chi-kiang, Shang Chen, Lu Ching-lin, Ho Yao-tsu, Huang Shao-hsiung, Chen Chien, Wen Shao-chuan, Feng Yu-hsiang, Niu Yung-chin, Yang Fa-yuan, Yang Shu-chuang, Yang Chieh, Yang Hu-shang, Teng She-hou, Teng Pao-shan, Fan Chung-hsiu, Loo Shih-ti, Liu Sze, Liu Shang, Liu Yoh-fan, Liu Wen-hui, Liu Chi, Chiang Tso-pin, Chiang Kai-shek, Lai Hsin-hui, Lu Ti-ping, Yen Shih-shan, Tan Yen-kai, Chien Ta-chun, Koo Chu-tung, Hsu Yung-chang, Lung Yun, Ma Fu-chang, and Hsiung Bin.

The Standing Committee of the Military Council shall consist of Tan Yen-kai, Yen Shih-shan, Yang Shu-chuang, Feng Yu-hsiang, Chen Chien, Ho Ying-ching, Li Chung-jen, Li Chi-sen, Chu Pei-teh, Pei Chung-hsi, Yu Yueh-jen and Chiang Kai-shek, who is also Chairman of the Committee.

Regulations Governing the Military Council

The regulations governing the activities of the Military Council which were decided upon were as follows:

1. The Military Council, being the supreme military organ of the Nationalist Government, shall control and direct the organization, education and discipline, management and sanitary affairs of the entire Nationalist Navy, and Air Forces, and shall be responsible for the preparation and strengthening of national defence.

2. Members of the Military Council shall be specially appointed by the Nationalist Government, they shall be selected and nominated by the Central Executive Committee from among high responsible military leaders, well-versed in military

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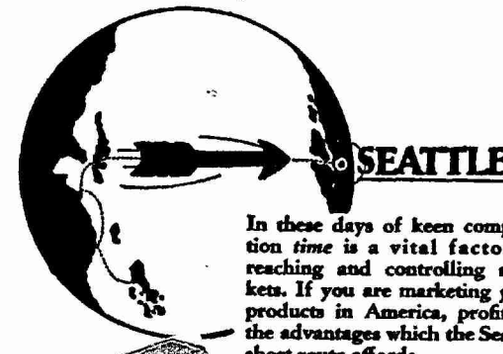

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and political affairs. A Standing Committee consisting of 11 to 15 members shall also be appointed with one member as chairman.

3. The Military Council shall hold at least one meeting every two months, a quorum of two-thirds of the members present at the locality where the Headquarters of the Council is situated, being necessary.

4. All resolutions of the Standing Committee of the Military Council and orders issued in the name of the Military Council shall be signed jointly by the Chairman and members of the Standing Committee of the Council.

5. All urgent and important affairs shall be disposed of jointly by the Chairman and members of the Standing Committee.

6. There shall be established in the Military Council, Office of the Standing Committee, Staff Office, Department of Military Administration, Department of General Affairs, Quartermaster's Office, Auditing Department for Military Education, and Political Training Department, Regulations governing the organization and function of the above offices shall be drawn up separately.

7. The Military Council shall direct and superintend those duties of the civil organs of the provinces and districts having regard to military affairs.

8. The Headquarters of the Military Council shall be established at the locality where the Nationalist Government is located.

9. Regulations governing the procedure of the meetings of the Military Council shall be drafted and proclaimed separately.

10. Whenever necessary, revisions and amendments of the preceding articles shall te made with the approval and sanction of the Nationalist Government upon petition by the Council.

Third National Kuomintang Congress Next August

Among the important decisions arrived at in the final session the following were of most importance:

1. That a nation-wide re-registration of all Kuomintang members be held within three months.

2. That the Third National Congress of all Kuomintang Delegates be held on the first day of the 8th month in the 17th year of the Republic of China; (August 1, 1928).

3. That all previous proposals and resolutions in connection with the policy of alliance with Soviet Russia and the Communist Party be cancelled and annulled;

4. That the Military Council shall consist of from 11 to 15 members under a chairman to be designated by the Plenary Session, and that the Commander-in-Chief of the Nationalist Army may be appointed concurrently Chairman of the Military Council.

A Japanese Salt Scandal at Hankow

Mr. Chan Chia-hou, Chinese Commissioner of Foreign Affairs at Hankow has just made public a long letter which he recently sent to Mr. Toru Takao, Japanese Consul-General at Hankow which makes serious allegations regarding an extensive salt smuggling enterprise allegedly involving an important Japanese firm, the Showa Kaiun Company of Hankow, the manager of which is named Furuhata. The report alleges that the Japanese concern smuggled two shipments of salt amounting to 18,000 tons into Hankow in violation of Chinese regulations prohibiting foreigners from engaging in the business of trading in or transporting sale within the territorial limits of the Chinese Republic. One shipment consisting of some 9,000 tons was disposed of by the Japanese company, but according to the report of the Chinese Commissioner of Foreign Affairs the other shipment is being held in a warehouse belonging to the China Merchants Steam Navigation Company at Hankow. Still another shipment amounting to some 5,000 tons is alleged to be held in the warehouse of the Mitsubishi Company, another Japanese concern in Hankow.

According to the letter written by Mr. Chan Chia-hou, the Japanese company refused to release the salt to the Chinese authorities unless the Chinese would advance the sum of Tls. 600,000. The Chinese authorities at Hankow have lodged the following demands with the Japanese Consul-General,

(1) To cease to accord protection to the property of all the commercial establishments under the management of Furuhata, viz., The Showa Kaiun Company, the Toatsusho Company, Limited, the Chunichi Jitsugio Company, Limited, etc.;

(2) To prohibit the ingress and egress of the vessels belonging to the Showa Kaiun Company together with their cargo; and.

(3) To deny protection to the personal safety of wuahur atheFnever he leaves the confines of the Japanese Concession.

It is found that Furuhata takes up his residence in the Japanese Concession. The facts establishing his violation of law being uncontrovertible, you are requested to give Furuhata whatever penalty he deserves, in order to prevent further offences of the same kind. You are also requested to order him to surrender at once the above mentioned 5,000 tons of salt in its entirety. The failure on your part to comply with these requests would constitute plausible ground for believing that you are giving asylum to an offender against Chinese law.

Japanese Consular Officials Visit Feng Yu-hsiang at Chengchow

The Japanese Consul at Nanking, Mr. Tajima, accompanied by the first secretary of the Japanese Consulate-General at Hankow has just returned from a trip to Chengchow, Honan province where he interviewed Marshal Feng Yu-hsiang and other leaders of the Kuominchun, In the course of his conversation with Marshal Feng, the leader of the Kuominchun explained to Mr. Tajima that he regarded the existing treaties between China and the Powers as antiquated since they were negotiated under conditions prevailing in the preceding century. Consequently the treaties have no place, theoretically or practically, in this modern age and he expressed the hope that the Powers would see their way to an early revision of the treaties on a basis of equality and reciprocity,, Marshal Feng explained that he had always taken pains to extend fullest protection to the lives and property of foreigners in the territories where his troops are stationed and called attention to his recent rescue of three Catholic priests who had been captured by bandits in the vicinity of Chiashien. Feng declared that he had always instructed his subordinates to extend protection to all foreigners.

Y. L. Tong, director of the diplomatic bureau of the Kuominchun, also explained to Mr. Tajima that since the Chinese and Japanese are of kindred races, they should work together for mutual benefit. Japan had once suffered from the bondage of similar unequal treaties, hence should be in a position to sympathize with China. Japan should take the lead in renouncing her unequal treaties, Mr. Tong urged, for in this way Japan would earn the goodwill of the Chinese generally.

A telegram from Chengchow on Feb. 5 stated that the Kuominchun forces routed the forces of Gen. Chang Chung-chang at Weihweifu and captured some 3,000 Chihli-Shantung troops and some 60 white Russians. The Russians were emaciated and clad in summer clothing and their appearance indicated serious privations. When Marshal Feng heard of the plight of the Russians he ordered each provided with a fur overcoat and food and has treated them kindly. The Russians complained that Gen. Chang Chung-chang had promised them food and clothing and $24 a month but that the promise was not fulfilled.

Harvard and Yenching Universities Plan Cooperative Research Studies

Establishment of a link in graduate education between Harvard University and Yenching University in Peking, China, by which an institute of Chinese studies will be added to both universities and advanced students of the Occident will cross the seas to carry on research has been announced in Boston by Dr. J. Leighton Stuart, president of Yenching University.

The new institute will be supported by an endowment from the estate of Charles M. Hall, inventor of the modern processes for making aluminum. who left in his will a large bequest to be devoted to educational work in Asia and the Balkan States, Dr. Stuart said. The institute will be controlled jointly by Harvard University, Yenching University and the trustees of the estate, Homer H. Johnson and Arthur V. Davis.

"The purpose of the institute," Dr. Stuart explained, "is to promote both in China and America graduate study and research in the various branches of Chinese culture with the primary objective of encouraging the Chinese to study their own highly-developed civilization in the light of Occidental methods of research and to interpret this civilization to the West.

"It will be made possible for Yenching University to offer graduate work to its own students and to those who come from other parts of China and thus assist in strengthening the emphasis on Chinese culture which is one of the beneficial consequences of the recent nationalistic awakening among Chinese students.

"The work at Harvard will consist of courses in the Chinese language and literature, as well as in various aspects of Sinology studied through English or other European languages.

New Books of Interest in the Far East

The Story of Japan

An Outline History Of Japan; By Herbert H. Gowen; New York: D. Appleton and Company; (Shanghai: Chinese American Publishing Company 25, Nanking Road) Price, Mex. $10.

The dawn of the Japanese history is hidden in the mist of mythology and legends. It is only with the advent of Jimmu Tenno (660 B.C.) that gods become men, and participate in the earthly life. The march of this great hero with his Yamato troops is the first great epoch in the history of Japan. He is followed by other emperors, among whom the most note-worthy being Sujin Tenno who civilized Japan, like Yu the Great, of China; and Jingo Kongo, the Empress who led an expedition to Korea.

The introduction of Budhism marks the first civilizing epoch in Japan. Along with Buddhism come the great idea of Karma, and the doctrine of simplicity and moral dignity. Chinese culture also reached Japan at this stage, and was soon adopted by the Yamato people. Nara was the first fixed capital of Japan founded in 710 A. D. Art, literature and Buddhism made great progress in Nara under the Empresses who ruled there. In its beautiful parks and temples, there is amid all evidences of decay, sufficient to recall the "seven courts of Nara". The Great Buddha of Nara erected by Emperor Shomu in 735 tells of the immortal glory of the work of art, and triumph of the idea of Shakyamuni.

In 782 the capital was moved to Kyoto, the city of beauty and art, which is considered the heart of Japan. The clan chiefs assumed the real power at Kyoto and the influence of Throne was relegated to the background. In the Gempei era, a period of forty years, the forces of Taira and Minamoto struggled for supremacy. Kiyomori of Taira defeated the Minamoto; and in his turn suffered a crushing defeat at the hands of Yoritomo who became the first Shogun and ruled Japan from Kamakura. His brother Yoshitsune about whom there are so many beautiful and romantic stories current in Japan was killed by Yoritomo.

Japan fell into anarchy and the periods of Hojo and Ashikaga did not bring peace to the country. It was during the Hojo period that Kublae Khan, the Emperor of China, sent a large force which sailed with 30,000 junks to capture Japan. It was a most critical moment for the Empire, The Samurai, alive to the numerical superiority of the Mongols, came forward with determination and great courage to meet the enemy, for the spirit of the Japanese does not know how to give way in battles At the same time prayers were offered at the temple of Ise. A typhoon came and the fleet of the great Khan was totally wrecked.

The three great men who laid the foundations of the modern Japan are Nobunaga, Hideyoshi, and Tokugawa, the most remarkable of whom is Hideyoshi who rising from a very humble position became the ruler of Japan and conquered Korea in 1598. He built the famous Osaka castle, and promulgated popular laws, of course in the name of the Emperor. This greatest of the Japanese soldiers on his death-bed composed the following poem:—

Ah, as the dew I fall!
As the dew I vanish!
Even Osaka fortress
Is a dream within a dream.

After killing Hideyoshis's son Iyeyasu Tokugawa assumed the power and gave to the people the famous Tokugawa code. He is buried in Nikko amidst charming scenery, his tomb being one of the most artistic buildings in Asia, perhaps next only to Taj Mahal of Agra. The Tokugawas turned Japan into a hermit nation, but gave her an unbroken peace of over 200 years. Christianity was banned in Japan during this period, and all foreign intercourse, stopped. Great progress was made in culture during the Tokugawa period.

It was at the close of this period that the Japanese realised the Russian menace and to stand it cried for the return of power to the Emperor. The Lord of Mito wrote a History of Great Japan which brought home to the people the conviction that only the influence of the Throne could save the Empire. With unselfish zeal and true patriotism, acting purely for self-defence and cultural progress of Japan, the Samurai started the Restoration movement of 1868 which culminated in a defeat of the orthodoxy, and restoration of all powers to the Emperor. Japan has always produced most unselfish men who have put the interests of the Empire above their own, which is the secret of the real greatness of the Yamato people. Japan has never been conquered in her long history, and has never bowed before a foreign sovereign. This spirit is as strong to-day as it was before. Emperor Meiji writes:

Methinks there is no greater happiness,
Than to share the happiness
Of thousands and thousands of my people.

This is one of the most interesting and up-to-date books on the history of Japan, and written as it is in excellent style, it reads like a novel. In the interest of international goodwill, which is a product of mutual understanding, there is hope this book will enjoy a wide circulation. H. P. Shastri

Shanghai, Feb. 9, 1928

Mr. Villard on American Newspapers and Their Makers

"Some Newspapers and Newspapermen" by Oswald Garrison Villard, Editor of "The Nation". Alfred A. Knopf, 1923 and (new and revised edition) 1926.

A number of handbooks of journalism are being published among the "Borzoi" books, and this is one which gives a very comprehensive view of news facilities and personalities in America. Will Irwin in "The Literary Digest" referred to Mr. Villard as "a master craftsman setting down what he knows about his trade", and certain it is that a perusal of this book gives one some most intimate inside glimpses into the workings of journalism in America. Mr. Villard is a third-generation journalist, and he knows what he is talking about. So much does he know it that for his last chapter, on William Lloyd Garrison, he adds the innocent sub-title of "The Good Old Days". The book certainly contains a more generous measure of blame than it does of praise. There are just a few exceptional papers which win Mr. Villard's sparing approval, but his wrath is for the majority. This appears to be not a mere indulgence in personalities, but the outcome of a sincere and passionate belief that "the question of news distribution will have to be earnestly considered by all who believe in the necessity of an enlightened electorate if the United States is to remain a democracy". Mr. Villard is very American, and yet he loves America dearly, and is sorry when he sees signs of "100 per cent Americanism". This must estrange many people. Yet even the fiercest opponents of freedom of thought in the Land of the Free might find food worth chewing in these pages. They might even end up in a mollified frame of mind, for Mr. Villard loves adding little contrary afterthoughts of commendation. But it is doubtful whether what he refers to as "the rake's progress of our press" will be much affected by recalling ideals which most people have buried.

Shanghai, Jan. 20, 1928 J. D. M.

Mr. Salzmann Writes a Novel on World War Times in China

Erich von Salzmann: Zeitgenosse Fo—Verlagsanstalt Hermann Klemm A. G. Berlin-Gruenewald. Mark 6.—

Stories of the war years in neutral countries, plots and counterplots, spies, intrigues with beautiful women of mystery, master criminals and all that we have had aplenty. Their location was Switzerland and Holland mostly; it was rather overdone, and the public got tired. The doings in the Far East, however, were rather neglected though undoubtedly there is material for many volumes in the strange and weird happenings; in Mongolia for instance where adventures founded empires as large as Europe lasting weeks, disappeared, were murdered and replaced. Peking during the war was another place where all what an author needed to do to write an exciting story was to chronicle the facts. This is exactly what Erich von Salzmann did in his new book: "Zeitgenosse Fo", but he made what they call a "Schluesselroman", a key-novel: though he altered the names. But an old Peking hand will at once recognize every character, more so as sometimes only letters in names were changed. No harm, however, can result from this; there is only one villain in the story and he deserves it, besides he disappeared long since. Prominent people of most nations are pictured as they were and exactly as they behaved during the war, and this raises the question how did Salzmann know? He was in the midst of battles on the Western front when Peking was engulfed in plots and intrigues which are pictured in this book. Salzmann must have had many collaborators.

Zeitgenosse Fo is the third of Salzmann's China novels. His first "Yue Fong" describes the first revolution when the Manchu dynasty was overthrown. His second, "Gelb gegen Weiss" (Yellow against White") appeared a year ago. It attempted that rather delicate theme of the rebellion of Asia, a contemporary of volumes of books dealing with the awakening of Asia up to last year, such a nourishing food for sensational writers. One can be sure that the author is sorry now that the storm has blown over and the dreaded dangers then ahead have vanished.

"Zeitgenosse Fo" is written in an easier vain. It does not attempt to deal with serious problems. Loosely connected it gives glimpses of Peking before and during the war through

the experiences of a young Chinese who moves about in all kind of surrounding, the highest and lowest, meeting everybody who is anybody, rather unlikely but necessary for the existence of the story. At home the book will hardly become a great seller, but in Peking it will create much interest, because it is a key-novel and a true one too picturing persons rather kindly but not so the things, things allied I mean, and so it would be better not to translate it into English and French for the sake of the good fellowship now once more seemingly established among the foreigners in Peking.

Shanghai, Feb. 6, 1928 Walter Bernhardt

A Textbook in Physics

A First Course in Physics, by B. Shen, M. Sc., F. I. C., Professor of English in the Peking Normal University and National University for Women; Shanghai, The Commercial Press, Price $4.

This book constitutes an addition to the excellent list of textbooks in English for Chinese students, published by the Commercial Press. The author states in the preface his conviction that Chinese students should study science in their own language and that most textbooks should be written in the language of the country in which they are to be circulated, but declares, however, that there is a considerable demand in China for textbooks written in foreign languages, especially English, owing to the desire of Chinese students with a knowledge of English to have text books in that language. The present book meets that demand, a textbook in Physics in English written by a Chinese for Chinese students with a knowledge of the English language. The book contains eleven chapters including the introduction and includes the Properties of Matter, of Solids, Gravitation, Curvilinear Motion, Falling Bodies, the Pendulum, Work and Energy, Mechanics of Liquids, etc. The book has some 400 pages, is well indexed and bound. B. J.

"J.A.J." Replies to Mr. Kinney

Editor, the China Weekly Review:

Sir,—I appreciate very much the action of the Editor of *The Review* in passing on to me the letter of protest received from Mr. H. W. Kinney, of the South Manchuria Railway Company, Dairen, wherein he brings out the fact that in the articles dealing with "The Resources of Manchuria", I had lifted portions from his booklet. I respectfully direct Mr. Kinney's attention to the fact that in the issue of *The China Weekly Review* for December 31, I distinctly quoted my authorities, as follows:

> "The authorities for the facts and figures given in this article are Mr. T. Kawabata of the *Taikansha*, Tokyo; the South Manchuria Railway, the *Manchuria Daily News*, Dairen; the publishers of the *Chinese Economic Bulletin*, etc., etc."

Knowing Mr. Kinney's feelings on this matter of plagiarizm, I hasten to say that *although I had never seen his booklet* on the subject of the Resources of Manchuria, I humbly apologize for having unintentionally lifted Mr. Kinney's output and crediting Mr. Kawabata of the *Taikansha* instead. The latter gentleman, in his "Glimpses of the Far East", from which publication I derived a good deal of the information in the chapter dealing with the "Resources of Manchuria" in the "Manchurian Question" series, does not credit Mr. Kinney at all, and naturally, not having had the pleasure of reading Mr. Kinney's booklet to which he refers, I have not credited him either. But having had my articles lifted by others on a wholesale scale without acknowledgment, I am naturally able to appreciate Mr. Kinney's wrath, hence this apology.

However, I beg to differ with Mr. Kinney over the question of anonymity. I write under the anonymity of "J.A.J." because I am an independent writer, not in the pay of any semi-official corporation or government, and inasmuch as I travel about a good deal in territories under Japanese control, I naturally cannot afford to make my name known. I think Mr. Kinney is aware that writers who find it necessary to differ from the views and attitude of the Japanese Government and Japanese officials on certain points, are liable to suffer certain inconveniences. The late Mr. Robert Young and many other independent writers have had little annoyances put in their way in a misguided effort to wear them down, and one British editor was chased out of Korea because he failed to see eye to eye with certain Japanese policies in that country. Mr. Kinney very cleverly endeavors to have me make my identity known.

However, as I have already said, I sincerely apologize for my unintentional failure to credit Mr. Kinney when dealing with the subject of "The Resources of Manchuria," and I trust he will appreciate my attitude on this point.

Dairen, February 3, 1928. Still "J.A.J."

Men and Events

Alanson B. Tyrrell has arrived in Shanghai to represent the Radio Corporation of America. He has opened an office in the Dollar Building.

Gen. Hwang Fu, former Mayor of Greater Shanghai, has gone to Nanking to assume office as Minister of Foreign Affairs of the Nationalist Government.

Russell P. Zimmerman of the American silk exporting firm C. K. Eagle and Company, who has been in America for some time is returning to Shanghai in March.

A Bland Calder, U. S. Trade Commissioner at Shanghai, accompanied by Mrs. Calder, departed last week for a trip to the United States, traveling by way of India and Europe.

T. V. Soong, Minister of Finance of the Nationalist Government, who has been in Hangchow for several days has returned to Shanghai and is planning to go to Nanking shortlys

The Rev. E. McNeill Poteat, Jr., addressed the morning congregation of Community Church of Shanghai on Sunday, Feb. 12 on the subject, "Can the Lord's Prayer Be Answered?"

Mr. and Mrs. R. W. Squires of Shanghai have departed for the United States in order to attend the graduation exercises of their son, Charles Squires who will graduate from Princeton University next June.

Dr. Eugene Sallee, member of the American Baptist mission, accompanied by Mrs. Sallee, has returned to Chengchow, Honan province to resume their work. There are now seven American missionaries in Chengchow.

A. M. Guptill, formerly connected with the American Consulate-General at Shanghai but recently manager in Shanghai for the McKesson and Robbins Company, has gone to the United States on a short business trip.

Dr. Arthur N. Holcombe, professor of Government of Harvard University, has arrived in Shanghai on a trip around the world. Dr. Holcomb came to Shanghai from Canton where he spent considerable time investigating conditions.

The Shanghai-Nanking-Hangchow Railway has just accepted delivery from England of two new locomotives for service on the Shanghai-Hangchow line. The new locomotives will be assembled at the shops at Zakow, near Hangchow.

R. B. Kidd, formerly a member of the staff of the *Los Angeles Times*, passed through Shanghai last week on his way to Manila where he will serve as a member of the editorial staff of the *Bulletin* and also as correspondent for the *Chicago Tribune*.

Miss A. Viola Smith, Acting United States Trade Commissioner at Shanghai, has been promoted to Trade Commissioner, according to a cable received from Washington this week. Miss Smith is the first American woman to be appointed to this position in the United States Government Foreign Trade Service.

Mrs. Chiang Kai-shek has returned to Shanghai from Nanking for a visit with her family during the absence of Gen. Chiang who has gone to Hsuchowfu to inspect the Nationalist troops. Gen. Chiang will also make a trip to Chengchow, Honan for the purpose of holding a conference with Marshal Feng Yu-hsiang.

A party of Japanese including Mr. Tajima, consul at Nanking; Mr. Nagami, military attache at Hankow; Mr. Okamura, secretary of the Japanese consulate-general at Hankow and two private secretaries have returned to Hankow from a trip to Honan province where they held a conference with Marshal Feng Yu-hsiang.

Pan Fu, Premier of the Peking Government, has recommended a plan of financial reorganization for the territories under Marshal Chang Tso-ling whereby the finances of Manchuria, Chihli and Shantung provinces and the districts of Jehol, Suiyuan and Charhar would be centralized in Peking in a new Government Central Bank shortly to be organized.

The Governing Board of Community Church of Shanghai has ordered a bronze tablet to be erected in the Church in memory of Dr. J. B. Fearn. The Board has also extended an invitation to Dr. O. W. E. Cook, pastor of the Union Church of Manila to become pastor of Community Church. Dr. J. V. Latimer who has been serving as Secretary of the Church has been appointed Secretary of the Navy Y. M. C. A. branch in Peking.

A *Reuters* report from Peking on Feb. 11 stated that Chinese bandits had captured eight German missionaries, four priests and four nuns, at the town of Poli on the Shantung coast and are demanding a ransom of $60,000 for the release of the captives. When soldiers tried to effect the release of the captives, the bandits, according to the report exposed the missionaries in the front lines in order to prevent the soldiers from firing.

John Van A. MacMurray, American Minister to the Peking Government is expected to arrive in Shanghai about February 25 for the purpose of interviewing officials of the Nationalist Government.

The Yangtsze Rapid Steamship Company cleared a net profit of Tls. 400,000, according to the report of the annual meeting of the company which was held in Shanghai on Friday, February 10. According to a statement by Lansing Hoyt, president of the company, the U. S. Navy is resuming its patrol service on the Upper Yangtsze this month. The Yangtsze Rapid Steamship company operates passenger and freight steamers on the Upper Yangtsze.

The Shanghai Benevolent Society, one of the leading Chinese charitable organizations has just issued its annual report for the year, the report stating that free medical service has been extended to some 40,000 persons during the year. In addition to this service the society provided burial for 609 adults and 15,847 children in the Shanghai area during the year. The officers of the organization are, Chairman, Wong I-ding; Treasurers, Ban Chow-ching, Chow Van-hwei, Koo Chi-sung and Loo Jun-shiang; Director, Wong Ching-sun. The headquarters of the organization are located at 440 Chung Woo Lee, Foochow Road.

The leading article in the January number of the *Meifoo Shield*, house organ of the Standard Oil Company of New York deals with the tercentennial celebration of the discovery of petroleum in America. Other articles deal with the Japanese merchant marine, John D. Rockefeller, Jr.'s gift of G.$1,750,000 to establish an "International House" or dormitory for students at the University of California, the recent trouble at Canton and other articles. There are several excellent illustrations showing the recent fire in the Socony plant in Tientsin and also some pictures from Canton. The front cover is a reproduction of a drawing by Ng Phi Hung, a Chinese student at Hue, Indo-China which portrays a portion of the royal palace at Hue.

Wm. P. Gibson Held for Alleged Defrauding Shanghai Residents

William P. Gibson, American playwright and author has been detained in Vancouver on account of charges in Shanghai alleging that he defrauded several residents of this city of a considerable sum of money. Among those defrauded is the name of Col. Henry C. Davis, commander of the American Marine forces in Shanghai who is alleged to have endorsed a gold draft for $200 but which after being cashed at the American-Oriental Banking Corporation turned out to be a draft for G.$3,200. Gibson is also said to have paid various hotel and other accounts in Shanghai and Japan with checks which came back marked "no funds." Mr. and Mrs. Gibson have been in Shanghai for several months residing at the Majestic Hotel and have been well known locally. Recently they were guests of honor of the American Women's Club where Mr. Gibson lectured on the Chinese drama. Mr. Gibson has also been interested in promoting newspapers and magazines in Shanghai, one report having it that he was trying to start an organ expressive of the views of local "die-hards" while another report states that he was attempting to induce the Nationalist Government to finance an organ for expressing the Chinese Nationalist viewpoint. Mr. and Mrs. Gibson departed from Shanghai on Jan. 25 for Japan and according to report they sailed from Japan on February 3 aboard the Empress of Asia which was scheduled to arrive in Vancouver on February 12. The present Mrs. Gibson, who is a niece of the late A. G. Spaulding the sporting goods manufacturer of Boston, is Mr. Gibson's fourth wife. He is a son of the late Randall Lee Gibson senator from Louisiana and a nephew of the late Chief Justice of the United States Supreme Court, Edward D. White. The gold draft which was endorsed by Col. Davis was drawn on Mrs. L. M. White, supposedly the widow of the late Chief Justice White.

ARE YOU LOSING WEIGHT?

Weight is usually an index of health. Heavy people can be sick, of course, but when a person loses weight it is usually a sign of malnutrition. Something is wrong and needs to be corrected before the decline becomes dangerous.

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From the Chinese Press

(News items pertaining to Chinese politics appearing under this heading, are taken mostly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official) Nationalist (Wu-Han official) and Toho (Japanese) news agencies, and from translations of articles appearing in the local Chinese press).

February 7-8—Chinese bandit soldiers fire on Japanese tug boat Ume Maru owned by Nissin Kisen Kaisha at Chinchiwan below Changsha in Hunan province; Japanese decide to suspend service since water is too low to dispatch gunboats Troops of Generals Chen Ming-shu and Hsu Ching-tang return to Swatow; reported that Gen. Huang Shao-hsiung will assume charge of fight against troops of Gen. Chang Fa-kwei—Hankow message states that troops of 8th, 17th and 36th Hunan armies are now stationed at Hengchow and Paoching while 19th Wu-Han army is marching along Hsiangkiang River; 7th and 21st Wu-Han armies claim to have captured Hsiangtan and Hsianghsieng, Hunan—Sino-Japanese technical committee meet for further consideration of Sino-Japanese commercial treaty—Japanese hold further conferences with Peking officials about wireless controversy —New Government Council at Nanking will contain 49 members and Military Council 73 members—Feng Yu-hsiang establishes orphanages and poor houses for destitute women and children in Honan, Shensi and Kansu; also prohibits any planting of opium poppies after July of this year—Fourth Plenary Session concludes work in Nanking Yang Tu appointed director of the municipality of Chefoo by Gen. Chang Chung-chang, tupan of Shantung—Peking Government cuts down staff of Ministry of Finance owing shortage of funds—Chang Tso-ling sends $200,000 to Sun Chuan-fang for military use—Gen. Chang Chien reports that Gen. Yang Sen has been driven out of western Hupeh and recommends that Gen. Wei Yi-san be appointed commander of the 5th and 8th revolutionary armies—Chang Tso-ling paper currency in Peking continues to slump—Wu Pei-fu sends delegate to Chang Tso-ling pleading for relief; reported Wu is being held a prisoner by Yang Sen and that all of Wu's body guards have been disarmed—Liu Shan-ching, civil governor of Fengtien arrives in Peking to confer with Chang Tso-ling regarding the activities of the Big Sword Corps and serious economic conditions resulting from fall of paper money—Renewed fighting at Yenmengkwan between Shansi and Fengtien troops.

February 9—Japanese *Toho* report attacks Feng Yu-hsiang for alleged kidnapping of Japanese doctor named Murakami who with his wife was seized by soldiers under Gen. Fang Chen-Wu and is being held for ransom; report also says that two other Japanese businessmen Toshio Mori of the Toyo Cotton Spinning Company and Nakashima, agent of Japan Cotton Spinning Company were also seized and held in Feng's headquarters, but later released; report states that while Feng's troops appear to be orderly, they act like bandits-*Toho* report from Tientsin states that military situation in Southern Chihli is developing favorably to Fengtien and that Feng's forces are retreating—Gen. Shin Yu-pin of the 3rd division of 30th army assumes office as garrison commander at Ichang; *Toho* report states that there is liklihood of trouble developing at Ichang between the 30th and 43rd armies owing to rivalries over the opium tax—Nationalists issue through *Kuo Min* manifesto giving results of Fourth Plenary Session (full report elsewhere in this issue) —Nationalist forces in Southern Shantung announces capture of Tsaochwang—Wang Chung-hui, Nationalist Minister of Justice arrives at the Hague and assumes office on the Court of Arbitration of the League—Chiang Kai-shek appoints Gen. Li Chi-sum as Chief-of staff—Gen. Chang Tso-hsiang of Fengtien forces buys 30 automobiles for war use in southern Chihlin—Chang Tso-ling issues orders that any merchant refusing to exchange $16 in paper currency for $1 silver will be executed—Nanking Government will shortly announce complete cabinet personnel—Peking Government orders special precautions be taken for safety of 300 foreign tourists visiting Peking on world tour—Chang Tso-ling sends for Sun Chuan-fang and Chang Chung-chang to come to Peking for another conference which will also be attended by Tang Yu-lin and Chang Tso-hsiang—Chiang Kai-shek visits Shanghai in connection with preparations for Northern drive—Attempted assassin fires at C. C. Wu, Sun Fo and Hu Han-ming at Singapore and wounds Lin Wen-chung; arrested—Tan Yen-kai, Li Lieh-chun, Tsai Yuan-pei, Chang Chin-kiang and Gen. Yu Yu-jen appointed standing committee of Nationalist Government.

February 10-11—Sir Miles Lampson, British Minister to Peking stops at Ningpo on his way to Hongkong—Gen. Chu Yu-puh sent to Techow and Taming to investigate military

(Continued on page VI)

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Feb. 2nd	Sale Price Feb 9th	Approx. Yield to Maturity Feb. 9th
Czecho Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	111½	111½	7.02
Czecho Slovak Govt. Ext. S. F. Loan	7½	Oct. 1, 1945	105¼	105¼	6.98
Republic Chile S.F. Loan	7	Nov. 1, 1942	101⅛	102	6.79
Argentine Government.. Ext. S.F. Loan	6	May. 1, 1960	100¼	100¼	5.98
Kingdom of Italy, Ext. S. F. Loan	7	Dec. 1, 1951	98⅞	98⅝	7.11
Austrian S. F. G. Loan	7	June 1, 1943	103⅞	103⅞	6.60
French Ext. S. F. Loan	8	Sept. 15, 1945	110⅜	110⅜	6.96
Japanese Govt. (£)	5	1907/1947	87½	88	6.06
German Govt. S. F. Loan	7	Oct. 15, 1949	107¼	107¾	6.33
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 15, 1950	100⅝	101	6.91
Saxon Public Works Inc. 1st Mtge. S. F. Loan	7	Feb. 1, 1945	99⅜	101¼	6.87
German G.E.C.S.F. Loan	7	Jan. 15, 1945	104⅛	104¾	6.53
Finnish Guaranteed Municipalities S. F. Loan	6½	Oct. 1, 1954	99	100⅜	6.49
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98½	98⅝	6.65
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	100	100½	6.44
Cuban Domin. Sugar Co. 1st Lien S. F. Loan	7½	Nov. 1, 1944	100⅛	100¾	7.42
Camaguey Sugar Co. 1st. Mtge. S. F. Loan	7	Oct. 15, 1942	100⅛	100¾	6.92
Pennsylvania Dixie Cement Corporation	7	Pfd. Stock	96½	96½	7.25
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	103	Mutilated	—
Willys Overland Co.	7	Pfd. Stock	95⅛	,,	—
The National City Bank of New York	20	Stock	762	754	2.65
Republic of Peru Ext. Secured S. F. Loan	7½	Sept. 1, 1956	106¼	106⅜	6.98
Hershey Chocolate Corp.	$4	Pfd. Stock	72	70⅛	5.64
Belgian National Railway Co. Paticipating	6	Pfd. Stock	86⅞	86⅜	6.95
Central Bank for Agriculturo, Germany	6	Oct. 15, 1960	——	93	6.52
Sugar Estate of Oriente	7	Sept. 1, 1942	——	101	6.89
U. S. of Brazil	6½	Oct. 15, 1957	——	96¼	6.79

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Kuomintang Appoints Committee for Overseas Chinese

Chung Wing-kwong, director of the Overseas Bureau of the Kuomintang has appointed an advisory committee consisting of 18 members to have charge of the work of the party among Chinese residing in foreign countries. The committee appointed is as follows:

For the United States of America, Lin Sun; Canada, Huang Hui-lung; Mexico, Hu Erh-chia; Panama and Central America, Cheng Chao-chieh; Peru and the South American Countries, Ho Chun-tang; Cuba and the West Indies, Chow Chi-kang; Annam, Teng Chen-wu; Siam, Hsiao Fu-cheng; India and Burma, Chang Yung-fu; Straits Settlement, Teng Tse-ju; Dutch East Indies, Huang Yi; Australia and the Southern Pacific Islands, Kwok Bew; Honolulu, Chung Yi; Philippine Islands, Wu Chi-Chiu; Japan, Fung Chi-yu; Russia, Hu Han-min; Western Europe, Chu Min-yi; and South Africa, Hsieh Tseng-tsan.

CHILDREN'S COLDS
Avoid Serious Results By Using BABY'S OWN TABLETS

When a child shows the first symptoms of a cold, such as sneezing, redness of the eyes, clogged or running nose, prompt measures for relief may avert serious results. Mothers should always have on hand ready for use at such times Baby's Own Tablets, which act quickly, contain no opiates or narcotics, are tasteless and harmless. Mrs. Joseph Cadieux, of No. 64 Cabot Street, Holyoke, Mass., says:—

"When my little boy had a cold I gave him Baby's Own Tablets at night and he was well the next day. I give them to the children for constipation and they are always benefited. They eat the Tablets like candy. I think Baby's Own Tablets are much easier to give a child than liquid medicine. I recommend them to all mothers who have small children."

Baby's Own Tablets are sold by chemists, or post free, 60 cents the vial, from Dr. Williams' Medicine Co., 60 Kiangse Road, Shanghai, Adv.

Shanghai Exchange for Week Ending Wednesday, February 15, 1928

By Maitland, Fearon and Brand

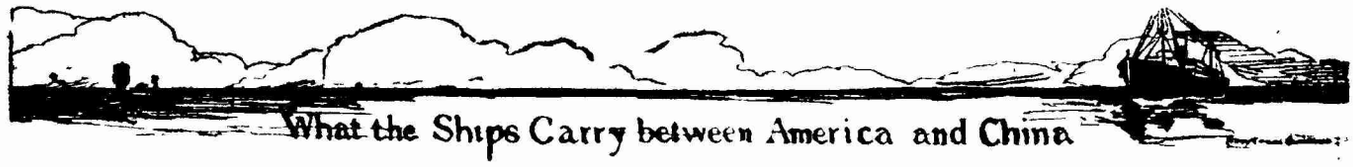
Exchange:—The price of Bar Silver in London has improved $\frac{3}{16}$d. during the past week, today's quotation being 26$\frac{15}{16}$d. ready and forward, The officiel T/T rate on London remains unchanged @2/6$\frac{3}{4}$d. The exchange market for the most part has ruled steady and during the earlier part of the week export seemed far in excess of the demand against imports. Today it seems that very few bills are offering and a quiefer tone is noticable in the market, which close with a slightly sagging tendency. The following rates for Gold remittances, February delivery, are available:—T/T on London 2/7,$\frac{1}{8}$, New Yew 63$\frac{1}{8}$, Yen 74$\frac{3}{4}$.

Our stocks of silver are reported as follows:—
Sycee and Bar Silver.....Tls.54,436,000 an increase of Tls. 1,163,000
Chinese and Mexican Dollars..... $ 77,570,000 a decrease of $ 10,000
Estimated value Tls. 110,286.000 as against Tls. 127,036,000 held at this time last year.

	Average rates for Jan.	Thursday Feb. 9	Friday Feb.10	Satur. Feb.11	Mon. Feb.12	Tuesday Feb. 14th	Wed. Feb. 15
Bank's selling rates		*opening*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/7 075	2/6$\frac{3}{4}$	2/6$\frac{3}{4}$	2/6$\frac{3}{4}$	2/6$\frac{3}{4}$	2/6$\frac{3}{4}$	2/6$\frac{3}{4}$
D/Dfts ,,	—	2/6$\frac{13}{16}$	2/6$\frac{13}{16}$	2/6$\frac{13}{16}$	2/6$\frac{13}{16}$	2/6$\frac{13}{16}$	2/6$\frac{13}{16}$
4 m/s ,,	—	2/7	2/7	2/7	2/7	2/7	2/7
T/T India	171.400	170$\frac{1}{2}$	170$\frac{3}{4}$	170$\frac{3}{4}$	170$\frac{3}{4}$	170$\frac{3}{4}$	170$\frac{3}{4}$
T/T France	1,555,250	1590	1590	1590	1590	1590	1590
T/T N. Y.	63.150	62$\frac{1}{2}$	62$\frac{7}{16}$	62$\frac{1}{4}$	62$\frac{1}{2}$	62$\frac{1}{2}$	62$\frac{7}{16}$
T/T Demand		62$\frac{5}{8}$	62$\frac{5}{8}$	62$\frac{5}{8}$	62$\frac{5}{8}$	62$\frac{5}{8}$	62$\frac{5}{8}$
T/T Hamburg		261$\frac{1}{2}$	261$\frac{1}{2}$	261$\frac{3}{4}$	261$\frac{3}{4}$	261$\frac{3}{4}$	261$\frac{3}{4}$
T/T H'kong	79.512	79$\frac{1}{2}$	79$\frac{1}{2}$	79$\frac{1}{2}$	79$\frac{1}{2}$	79$\frac{7}{16}$	79$\frac{7}{16}$
T/T Japan	74.350	75$\frac{1}{2}$	75$\frac{1}{2}$	75	75	75	75
T/T Batavia	155.850	154$\frac{1}{2}$	154$\frac{1}{2}$	154$\frac{3}{4}$	154$\frac{3}{4}$	154$\frac{3}{4}$	154$\frac{3}{4}$
T/T Straits Bk's buying rates	90.612	91$\frac{1}{2}$	91$\frac{1}{2}$	91$\frac{1}{2}$	91$\frac{1}{2}$	91$\frac{1}{2}$	91$\frac{1}{2}$
4 m/s B/L. Cred. D/A	2/9.075	2/8$\frac{3}{4}$	2/8$\frac{3}{4}$	2/8$\frac{3}{4}$	2/8$\frac{3}{4}$	2/8$\frac{3}{4}$	2/8$\frac{3}{4}$
4 m/s ,, D/P	—	2/8$\frac{7}{8}$	2/8$\frac{7}{8}$	2/8$\frac{7}{8}$	2/8$\frac{7}{8}$	2/8$\frac{7}{8}$	2/8$\frac{7}{8}$
6 m/s ,, B/L Cred D/A	2/9.387	2/9$\frac{1}{16}$	2/9$\frac{1}{16}$	2/9$\frac{1}{16}$	2/9$\frac{1}{16}$	2/9$\frac{1}{16}$	2/9$\frac{1}{16}$
4 m/s B/F Cred D/A or D/P	1,630.250	1660	1660	1660	1660	1660	1660
4 m/s N.Y.Lc	66.525	65$\frac{7}{8}$	65$\frac{7}{8}$	65$\frac{7}{8}$	65$\frac{7}{8}$	65$\frac{7}{8}$	65$\frac{7}{8}$
4 m/s ,, Docs	—	66$\frac{3}{8}$	66$\frac{3}{8}$	66$\frac{3}{8}$	66$\frac{3}{8}$	66$\frac{3}{8}$	66$\frac{3}{8}$

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. Bullion.	Feb. 9	Feb. 10	Feb. 11	Feb. 13	Feb. 14	Feb. 15
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	26$\frac{1}{8}$	26$\frac{1}{4}$	26$\frac{3}{8}$	26$\frac{1}{4}$	26$\frac{3}{8}$	26$\frac{5}{16}$
**New York Price of Bar Silver per oz. (Pure)	G. $.56$\frac{3}{4}$	G.$.57	G. $. 57$\frac{1}{8}$	G. $. 57	Holiday	G. $.57$\frac{1}{4}$
Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch)	Tls. 367.90	Tls 365.00	Tls. 365.30	Tls. 361.90	Tls. 363.50	Tls. 363.80
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110.90	110.90	110.90	110.90	110.90	110.90
Shanghai Mexican Dollars per $100	72.0375	72.075	72.05	72.025	72.075	72.0875
Native Bank Rate of Interest (Call money)	Nil	Nil	Nil	Nil	Nil	Nil
*Closing Price in Lond on for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.02
Bank of France rate of discount	3½%	New York on London	T/T 487$\frac{7}{16}$
London open Market of Dis. 3 m/s	4$\frac{1}{16}$%	Bombay on London	T/T 1/5$\frac{15}{16}$
,, 4 ,,	4$\frac{1}{16}$%	Hongkong on London	T/T 2/0$\frac{1}{8}$
,, 6 ,,	4$\frac{1}{16}$%	Kobe on London	T/T 1/11$\frac{3}{32}$



Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls., Nov. Customs Rate Tls. 1.42 equal Gold $1

JAVANESE PRINCE,
December 30.

To Boston.

Hemp	Pls.	279
Hides, Buffalo	,,	57

To New York.

Tea, Green:		
Gunpowder, Ningpo.	,,	236
Brassware	,,	32
Woodware	,,	4

EMPRESS OF RUSSIA.
January 7.

To Vancouver.

Tea, Black, Unfired:		
Congou, Hankow	Pls.	932
Books, Printed	,,	1
Chinaware, Coarse	,,	5
Oil, Groundnut	,,	93
Vermicelli	,,	4
Rugs, Woollen	Pcs.	19

To New York.

Silk, Raw, Steam Filature:		
White, Shanghai Bls. 40	Pls.	40.53
White, other Ports Bls. 5	,,	5.06
Yellow, Hankow Bls. 25	,,	25.50
Silk, Raw, Re-reeled:		
White, other Ports Bls. 18	Pls.	18.38
Silk Raw, Filature:		
Wild, other Ports Bls. 10	,,	10.41
Silk Piece Goods, Shanghai	Pls.	15.34
Tea, Green:		
Gunpowder, other Ports	,,	2
Musters, Shanghai	,,	1
Chinaware, Fine	,,	1
Hides, Buffalo, Untanned	,,	321
Carpets	Pcs.	202
Skins, Sheep, Untanned	,,	15,000
,, Dog, Tanned	,,	3,500
,, Rabbit, Untanned	,,	7,000
,, Weasel, with Tails	,,	700
,, Weasel, without Tails	,,	2,100
Drawn-thread Works Hk.	Tls.	5,245

To Charleston.

Hair, Human	Pls.	41

To Boston.

Hides, Cow, Untanned	,,	90

To Eugen Oregon.

Carpets, Woollen	Pcs.	18

To Philadelphia.

Tea, Green:		
Musters, Shanghai	Pls.	1

To Montreal.

Brassware	,,	2

To Buffalo.

Silk, Raw, Steam Filature: White, Shanghai Bls. 165	,,	163.72

To Chicago.

Tea, Green:		
Musters, Shanghai	,,	1

To Bradford

Carpets,	Pcs.	4

To Toronto.

Brassware	Pls.	4
Hair-net, Human	Gross	1,000

To Huntingdon.

Silk, Raw, Steam Filature: White, Shanghai Bls. 65	Pls.	64.44

To Trinidad.

Oil Paper	Pcs.	100

To Portland.

Tea, Green:		
Gunpowder, Ningpo.	Pls.	1

To Wilkes Barre.

Silk, Raw, Steam Filature: White	Bls. 20 ,,	19.82

To Scranton, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 5	,,	5

To Reading, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 10	,,	9.99

To Seattle.

Tea, Green:		
Gunpowder, Ningpo.	,,	1

To Luzerne, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 25	Pls.	24.91

To Shamokin, Pa

Silk, Raw, Steam Filature: White Shanghai Bls. 395	Pls.	395,60

To Los Angeles.

Tea, Green:		
Gunpowder, Ningpo.	,,	1

PRESIDENT GRANT,
January 9

From U. S. A.

Apples, Fresh	Pls.	252
Flour, Wheat	,,	1,654
Hams	,,	9
Ink, Printing	,,	22
Milk, Condensed	,,	720
Motor-cars	Pcs.	7
Cigarettes	Mille.	54,000

PRESIDENT MONROE,
January 12.

To New York.

Silk, Raw, Re-reeled: White, other Ports Bls. 10	Pls.	10
Antimony, Crude	,,	420
,, Ore, Oxide	,,	420
Tungsten Ore	,,	420
Bristles, Assorted	,,	642
Egg Albumen, Dried	,,	186
Feathers, Duck	,,	84
,, Goose	,,	50
Hemp	,,	163
Hides, Buffalo	,,	285
,, Cow	,,	201
Oil, Wood	,,	899
Soapstoneware	,,	49
Tallow, Vegetable	,,	846
Skins, Sheep, Untanned	Pcs.	5,000
Lace	Hk. Tls.	2,842

To Boston.

Silk, Waste Bls. 24	Pls.	50
Tea, Green:		
Gunpowder, Ningpo.	,,	631
Feathers, Duck	,,	133
Feathers, Goose	,,	60
Hides, Cow	,,	161
Nutgalls	,,	167
Oil, Wood	,,	316
Skins, Goat, Untanned.	,,	455

AFRICA MARU, January 21.

To Seattle.

Oil, Wood	Pls.	9,450

To New York.

Silk, Raw, Steam Filature: White, Shanghai Bls. 160	,,	159

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—A general bullish feeling permeated our market throughout the past week and a fair volume of busines for spots deliveries to the mills may be recorded, registering at the close a price level of about Tls. 0.50 per picul higher than the average current as last reported. The speculative element appears to be influenced in their operations by the strengthening tendency displayed in the yarn markets which is ascribed to lower stocks and the small receipts of raw cotton from the interior marts bringing in its wake a fair volume of shorts' covering, which circumstances naturally tend to enhance values of the raw material in general and of the superior grades in particular because of the constant and greater demand for the latter. In the event of a continued improvement in yarn values, it would naturally induce further firmness in the rates of the local staple. Prices in the U.S.A. and India markets having been in a more or less steady position and exchange rates tending to be easier, preclude for the moment importations of any magnitude, and particularly from India, which could replace to any advantage the domestic growth. For the time being, therefore, the indications incline to purchases on any reaction for present requirement, while awaiting developments in the trend on the foreign staple as such of late have influenced the local markets to a more or less extent.

Yarn:—The market during the week under review has been keeping steady to firm and prices advanced from Tls. 1.00 to Tls. 2.00 as compared with those of last week. Some 9000 to 10000 bales of various counts and chops of local products have changed hands between dealers for export to Szechuen, Hankow, Canton, Kiangse, Wuhu, Ningpo, Swatow, and other interior ports. Considering the stocks both in Shanghai and the interior being very small, we are of the opinion that the yarn market is likely to present a more appreciating outlook in the near future.

Liverpool:—

American-Middling	10.10
American-Middling last reported	9.81
Tone of the Market,	*Steady*

New York Market:—

Price of Mid-Amer.	18.25 Spot.
	17.72 Mar.
	17.87 May
	17.90 July
	17.68 Oct.
	17.70 Dec.
Tone of the market—	*Steady*

Indian Market:—

Fully Good Bengal, Mar.	294
Fine Oomra, Mar.	321
Fully Good Broach, April/May	354
Tone of the market—	*Steady*

Shanghai Market:—

	Tls.
Tungchow, Spot. Exwharf	34.40
Shanghai, Feb.	33.50
M. Ginned, Feb.	33.75
Shensi, No. 1 Feb/Mar.	35.00
Ningpo. Spot, Exwharf.	30.60
Tone of the market—	*Steady*

In the United States Court for China

UNITED STATES OF AMER CA, Ex relatione George Sellett, United States District Attorney for China, Plaintiff, vs. KULING SUPPLY COMPANY, FEDERAL INCORPORATED, U. S. A., Defendant.

Cause No. 3019

Civil No. 1202

ORDER

NOTICE is hereby given that on the 23rd day of January 1928 the undersigned, J. ARTHUR DUFF, was appointed by the United States Court for China Trustee of all of the assets of the above named defendant corporation for the purpose of winding up the affairs of the above named defendant corporation. All creditors having claims against the above named defendant corporation are requested to file their claims with the undersigned immediately, and debtors to the above named defendant corporation are requested to make immediate payment to the undersigned, inasmuch as, in accordance with the Order of the United States Court for China, the winding up of the affairs of above named defendant corporation must be completed on or before the 2nd day of May 1928.

J. ARTHUR DUFF,
Trustee for the Kuling Supply Company, Federal Incorporated, U. S. A.,
c/o Foreign Y. M. C. A.,
2 Peking Road,
Shanghai, China.

(*Continued from page 309*)

situation—Gen. Chen Ming-shu of the 11th Nationalist army arrives at Canton and may assume office as chief commissioner of Kwangtung provincial government—Changsha report claims that the 19th Wu-Han army has captured Kiangshan and that the Hunan army has retreated to Kiangyang; Gen. Bei Tsung-chi arrives at Hengchow and issues orders prohibiting troops from occupying foreign business or missionary property; Mao Chung-tsai appointed Commissioner of Foreign Affairs at Changsha—Japanese steamer Zuiho Maru attacked by pirates on way from Haichow to Tsingtao, but escapes—Chinese troops at Lanchow, near Peking fire on squad of Japanese stationed on Peking-Mukden railway—America, Britain, France and Japan protest action of Chinese in confiscating foreign land in Chinese-Eastern Railway zone at Harbin—600 Chinese laborers at limestone quarry at Huolienchai on Antung-Mukden line strike on account of paper money situation—Gen. Cheng Chien at Hankow delivers address attacking Gen. Chiang Kai-shek for appointing Chiang's personal followers to office in Nationalist Government; also alleges Chiang is under Japanese influence and is "deceiving the people"—Gen. Bei Tsung-chi at Hankow asks Nationalist Government to arrest Liu Wen-tao on the ground that he is an agent of Chang Tso-ling who has been subsidizing the Hunanese troops—Liang Shih-yi calls on Japanese and solicits their support for the Peking Government's plans for tariff autonomy; reported that Liang is shortly coming to Shanghai to discuss cooperation between Peking and Nanking—Government council in Nanking considers request of Shanghai General Chamber of Commerce for appropriation of $100,000 for China's participation in a silk exposition to be held in Italy—Nationalist Government decides to permit Dalbank (Soviet Russian) to resume business—Nationalist Government drafts regulations governing Chinese residents abroad—Chang Ching-kiang tenders resignation from Nationalist Government standing Committee on account of health, but Government refuses to accept resignation—Chiang Kai-shek goes to Haichow for inspection of Nationalist military lines; reported he may go to Chengchow, Honan to interview Feng Yu-hsiang—Nationalists protest alleged loan of $5,000,000 by South Manchuria Railway to Chang Tso-ling; Chang Tso-ling denies loan—Gen. Chang Chung-chang executes two brigadier generals and two regimental commanders for failing to hold the lines against the Nationalist forces in southern Shantung—Troops of Gen. Fan Tsun-wu at Hsunyang ordered to advance toward Kweiteh for purpose of invading Shantung—*Kuo Wen* report from Canton states that troops of Gen. Chien Ta-chung at Canton are shortly to be moved to Shanghai—Report from Taiyuanfu states Shansi troops under Gen. Yang Shi-yuan have killed more than 2,000 of the Fengtien forces under Gen. Kao Wei-yoh—Ho Chi-kung appointed chief executive of southern Honan by Feng Yu-hsiang—Yen Hsi-shan sends Yuan Hua-ksuan as his high adviser to Nationalists at Nanking—Chu Ming-yi, prominent Kuomintangist departs for France to investigate sanitary conditions—Chiang Kai-shek dispatches Gen. Chen Tiao-yuan to Haichow to direct military operations from that front—Gen. Sun Chuan-fang suddenly goes to Peking to raise funds for military purposes in opposing the Nationalists in Shantung—Six more alleged Communists executed in Hankow—Serious banditry develops in Hsinyang area Honan.

February 12-13—Japanese deny loan of $5,000,000 through South Manchuria Railway to Marshal Chang Tso-ling, despite fact that Japanese *Toho* report on Feb. 4 admitted that an advance of $2,000,000 had been made—Chinese pirates which seized Japanese steamer on Shantung coast escape despite efforts of Japanese destroyers Tsushima and Tsubaki; pirates carry away five Japanese sailors as hostages—Japanese Minister, Yoshizawa, in *Toho* interview declares that Edwardes' trip to Shanghai is purely a domestic Chinese question and that the Chinese have not approached the Japanese on the question of increasing the tariff—Sir Miles Lampson, British Minister arrives at Foochow on way to Hongkong and calls on Chinese officials—Japanese doctor held by Chinese soldiers in Honan province, released, according to report from Hankow—Mr. Lambert, Belgian engineer on Lung-Hai Railway confers with Feng Yu-hsiang on improvements and extensions on the road—Gen. Liu Chi appointed commander of 30th Kuominchun army under Feng Yu-hsiang and Gen. Tsao Hai-shen appointed chief-of-staff under Feng—Reported Sun Chuan-fang's troops in Shantung withdrawn to Tsinning; Chang Chung-chang reported to have dismissed all his White Russian troops—Shanghai Bureau of Foreign Affairs issues new regulations for registration of White Russians, stating all must register before March 31; registration fee fixed at $2—Military conference at Taiyuanfu participated in by Yen Hsi-shan, Shan Chen and others decides to launch general offensive against Chang Tso-ling immediately—T. V. Soong, Nationalist Minister of Finance goes to Hangchow on business—Gen. Hu Chung-tuh of Wu-Han forces reports occupation of Henshan and Henchow in southern Hunan against the remnants of Tang Shen-tse's forces—Chiang Kai-shek orders Gen. Chang Ku-yao and 13th Revolutionary army to Shantung front—Chang Chung-chang tupan of Shantung and president of Shantung University has engaged Ku Hung-ming as dean of the school which will be devoted largely to military training—Yoshizawa, Japanese Minister in Peking again protests against Chang Tso-ling's luxury taxes—*Kuo Wen* agency reports that Soviet Russia is transferring its tea business to Japan since the break in relations between the Soviet and the Nationalist Government—Nanking report states Gen. Ho Yao-tsu has moved hisarmy to the Shantung front.

February 14—Japanese request nationalists to take steps to apprehend Chinese pirates who kidnapped four Japanese sailors from the Kaitsu Maru—Chiang Kai-shek who is at Kaifeng conferring with Marshal Feng Yu-hsiang reports that Nationalists are putting 300,000 men into the field against Chang Tso-ling; 100,000 to be under Yen Hsi-shan on the Peking-Suiyuan Line, 50,000 under Feng Yu-hsiang on the Kin-Han line and 150,000 under Chiang Kai-shek and Ho Yin-chin on the Tientsin-Pukow line and Grand Canal—Nanking reports that after two day battle Fengtien troops evacuate Tatung region—Ho Yin-chin assumes control at Nanking during absence of Chiang Kai-shek at front—Tan Yen-kai goes to Hankow for conference with Bei Tsung-chi and Cheng Chien—Liu Yoh-fan, head of Kansu provincial government, Chinese residents of Kokonor district are being recruited as members of Kuomintang—Overseas Bureau of Kuomintang announces committee representative of Chinese in various foreign countries—Kiangsu provincial government appropriates $800,000 for relief of famine conditions in northern Kiangsu.

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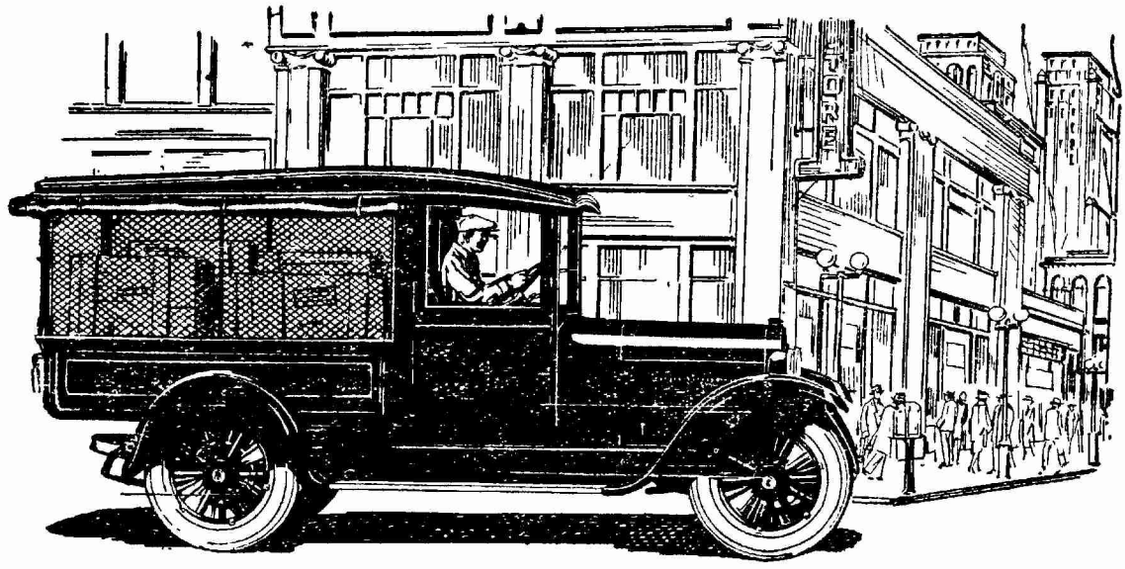

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